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ARAB TIMES

NO. 7516 | MONDAY, MARCH 27, 1989 | SHABAN 20, 1409 AH | 16 PAGES 150 FILS

Expats won't be included in social security

By Lima Al Khalafawi
Arab Times staff

THE social security system encompasses every Kuwaiti citizen regardless of whether he or she is an employee or self-employed, said Hamad Al Humaidhi, the deputy director-general of Public Institution for Social Security.

The official denied a report that the institution has prepared a plan to include expatriates in the social security system. He also denied that such a report has been submitted to the Council of Ministers.

Recently there were rumours that the government will also bring the expatriates under the social security scheme.

Humaidhi told the Arab Times that Kuwaitis working in GCC countries or abroad also fall within the umbrella of the social security system. About 100,000 Kuwaitis contribute to the social security fund. About 25,000 widows benefit from the system, another 26,000 retired people get pensions, he said.

Social security for Kuwaitis has proved to be successful, Humaidhi went on. Pensions are calculated based upon a person's last salary before retirement, in addition to the total number of years of service.

After completing 15 years of employment, Kuwaitis get 65 per cent of their last salary as pension. Two per cent is added for every year of completed service with a maximum limit of 30 years. Approximately 95 per cent of Kuwaitis draw the maximum benefits.

Humaidhi concluded that Kuwait looked at the social security system from an international perspective and incorporated the very best of all existing systems. In many countries, retired people are offered an average of between 30 to 80 per cent of their salary, he said.

Humaidhi

Hardliners win

'Too soft' Larijani resigns his post

NICOSIA, March 26, (Reuter): Iran's Deputy Foreign Minister Mohammad Javad Larijani has resigned, the Iranian news agency IRNA reported today.

Larijani, who has been criticised by Iranian hardliners for advocating moderation in foreign policy, was in charge of relations with the United States and Europe.

IRNA, received in Nicosia, said he was replaced by Mahmoud Vaezi, the Foreign Ministry director general for Europe. No reason was given for Larijani's resignation.

The Foreign Ministry said Larijani submitted his resignation on March 19, IRNA said.

The English-language daily Tehran Times reporting the change quoted informed sources as saying Foreign Minister Ali Akbar Velayati had accepted Larijani's resignation "immediately."

Velayati has also been criticised by the more militant elements of the Iranian leadership for being too soft in his dealings with the West.

IRNA said Larijani was educated in Iran and the United States. He travelled frequently on diplomatic duties.

In New York last year he held talks with United Nations Secretary-General Javier Perez de Cuellar for the implementation of Security Council Resolution 598 which led to the Aug 20 ceasefire in the eight-year-long Gulf war with Iraq.

Iran accepted the resolution in July.

In January Larijani travelled to Moscow with Ayatollah Javadi Amoli to present a message from Iranian leader Ayatollah Khomeini to Soviet leader Mikhail Gorbachev.

Para'stroika?

Yugoslav troops launched a crackdown on ethnic Albanians who staged a protest march yesterday against moves to limit the region's autonomy. Picture shows a soldier beating a protester. (Reuter wirephoto)

See demonstrators dispersed Page 2

Hint at Saudi-Soviet ties

Fahd, Saddam discuss Arab issues

BAGHDAD, March 26, (Agencies): King Fahd of Saudi Arabia, which strongly backed Iraq during its eight-year war with Iran, held a second session of talks with Iraqi President Saddam Hussein today amid indications that Moscow is seeking to interest Saudi Arabia in Afghan peace talks.

A lightning weekend visit by a senior Soviet official, coinciding with the presence here of Fahd was also linked with the prospect of the resumption of Soviet-Saudi diplomatic relations, diplomatic sources reported today.

The sources, who wished to remain anonymous, said Vladimir Polyakov, head of Middle East and African affairs in the Soviet Foreign Ministry, delivered a letter to Iraqi Foreign Minister Tareq Aziz from the Soviet leadership. This dealt with the prospects of the resumption of Soviet-Saudi ties and with the situation in Afghanistan, they added.

Polyakov arrived in Baghdad yesterday on an unscheduled visit, and left for home early today, spending less than 24 hours in the Iraqi capital.

Polyakov, had talks on the stalled Iraq-Iran peace talks and other Middle East issues with Aziz in Baghdad shortly before the king arrived, Baghdad Radio reported.

A Soviet embassy source said he could not confirm or deny that Polyakov, was on a mission concerning the Afghan conflict.

Diplomats said it was possible that Moscow was seeking Iraq's intercession with Saudi Arabia, which has supported the mujahedeen rebels in their fight against the Soviet-backed Kabul government, to help mediate a settlement in Afghanistan.

Iraq has good relations with the Soviet Union, its major arms supplier.

The diplomatic sources said the Soviets are cashing in on their close relations with Iraq during the Fahd visit to promote prospects for the resumption of ties with Saudis.

The official Iraqi News Agency, INA, said King Fahd and Saddam discussed Arab and world developments highlighting "the positive role played by the Arab nation and the Islamic world."

Late yesterday, Fahd and Saddam exchanged medals, and Baghdad revealed during the ceremony that the kingdom had not only bankrolled Iraq's war machine, but also placed the Saudi Red Sea port of Al Qazam at Iraq's disposal during the Gulf war with Iran.

Saudi Oil Minister Hisham Nazer, accompanying King Fahd, reviewed the world oil situation with Iraqi Oil Minister Issam Abdul Rahim Al Chalabi and discussed oil industry cooperation, INA said.

It said the two ministers reaffirmed their commitment to the OPEC (Organisation of Petroleum Exporting Countries) pact on oil output quotas which had led to "remarkable stability and positive developments on prices."

Pak minister arrives

Accord may be signed

By Ashraf Shad
Arab Times staff

PAKISTAN'S Minister for Labour and Manpower, Malik Mukhtar Awan, who arrived in Kuwait yesterday, said he expects to sign an agreement of friendship with his Kuwaiti counterpart during his visit.

He was talking to newsmen upon his arrival here on a three-day official visit. He said that he will discuss with Kuwaiti Minister of Labour and Social Affairs, Sheikh Nasser Mohammed Al Ahmad matters of mutual interest and "problems at length" which he declined to elaborate. But he said that joint committees of experts will be formed to look into these matters.

The Pakistani minister arrived in Kuwait after visiting Libya and the United Arab Emirates.

Benazir is expecting

KARACHI, March 26, (AP): Pakistan's Prime Minister Benazir Bhutto, the first woman prime minister of a Muslim nation, is expecting her second child in October, family sources said today.

Benazir's first child, Bilawal, was born last Sept 21.

A report in an English-language newspaper published in the capital said Benazir will visit India in the first week of April.

Britain will use influence for Mideast peace

RABAT, March 26, (Reuter): Britain will try o use its influence to achieve Middle East eace through negotiations at an international conference, Prime Minister Margaret Thatcher was quoted today as saying.

She told the official Moroccan news agency MAP: "Britain has always played a role in Middle East history and enjoys considerable influence in the area.

"We will exercise this influence to support negotiations which should lead to a peaceful olution based on Security Council resolutions 242 and 338, which provide for exchanging territory in return for peace."

Thatcher is due to confer with King Hassan in Marrakesh tomorrow during the first visit to Morocco by a British Prime Minister since its independence in 1956.

MAP quoted her as saying the Palestinians must take part in the negotiations to resolve the Arab-Israeli conflict. "Their recent declarations accepting Israel's right to exist and their renunciation of terrorism are important steps," she said.

"I find it encouraging that all governments in the region recognise that the status quo cannot be maintained and negotiations must be opened."

But Thatcher said the negotiations must be carefully prepared if they were to succeed.

"We cannot risk failure," she said. "The best framework for these negotiations would be an international conference under the auspices of the permanent members of the UN Security Council.

Jibril faction 'bombed' Pan Am

LONDON, March 26, (Agencies): US intelligence has identified and located members of a Palestinian extremist faction who it believes bombed Pan Am Flight 103 on behalf of Iranian radicals for $10 million, the Sunday Times of London reported.

In Washington, State Department spokeswoman Sandra McCarty said she had no information about the contents of the report. White House officials could not immediately be reached for comment.

The newspaper said plans were being made to capture the men and bring them to trial in the United States.

The respected weekly newspaper, quoting unidentified sources in Washington, reported that the members of the Popular Front for the Liberation of Palestine-General Command made and planted the bomb on behalf of Iranians seeking revenge for the US Navy downing of an Iranian passenger airliner over the Gulf last summer. All 290 people aboard were killed.

The PFLP-GC is led by Ahmed Jibril, a PLO renegade who opposes PLO chief Yasser Arafat's current drive for peace negotiations with Israel.

The newspaper report quoted one source as saying Jibril's group was paid $10 million to destroy Flight 103.

Punish

It also reported that senior PLO officials are convinced, after months of their own inquiries, that Jibril's faction planted the bomb at the bidding of unidentified Iranian radicals.

In February, Arafat told an interviewer he would "punish" Jibril if he turned out to be responsible, but that no evidence had been found. Arafat said at the time he did not think Palestinians were behind the bombing because "no Palestinian can think to do this awful crime."

The newspaper said US intelligence has informed all Western intelligence services involved in the hunt for the suspects "of the exact whereabouts of the Jibril bombers."

The report gave no indication of the whereabouts of the suspects.

The newspaper said 14 of Jibril's men were arrested in October in Frankfurt, where Flight 103 originated, with arms, plastic explosives and a bomb similar to the radio-cassette device used in the Pan Am bombing.

Another London weekly, The Observer, reported today that police officers escorting VIPs, including top politicians and members of the royal family, are being allowed to carry loaded guns onto British aircraft under new security regulations revised after the Pan Am disaster.

Previously, such security personnel were only permitted to take unloaded firearms onto aircraft, the newspaper said.

The newspaper said the new Civil Aviation Authority regulations were revealed in a leaked copy of a "restricted" report on Flight 103 by the government's national aviation security committee.

Permitting guards to carry loaded weapons on aircraft will not deter terrorists but could endanger the planes and passengers, a trade union representing airline cabin crews said today.

"The problem is that indiscriminate firing of guns, which could always occur, could create as much damage as anything else," said George Ryde, National Secretary of the Transport and General Workers Union's civil aviation group.

The Transport Department said today it would not discuss security matters.

Silence clouds mystery yacht

Hijack or hoax?

KUWAIT, March 26, (Agencies): A report in a Kuwaiti newspaper Sunday said the Iranian Navy seized an "Arab tycoon's" yacht with five members of a Gulf royal family and four Britons on board.

But the report in *Al Anbaa* could not be independently confirmed by shipping, port or diplomatic officials in the Gulf, and *Al Seyassah* quoted "highly placed" sources in Kuwait and Bahrain as saying the incident was a hoax perpetrated by a phony distress call to the Coast Guard.

A young man wipes his tears as he and his sister sit among the ruins of their house, hit by an artillery shell in Beirut's southern suburbs. (Reuter wirephoto)

Al Anbaa's report, headlined across the front page, said the 25-metre (82-foot) blue-and-white yacht was intercepted while sailing from Bahrain to Kuwait, and was escorted to an Iranian island, believed to be Farsi. The island is in the middle of the Gulf, midway between Bahrain and Kuwait. It was used as a base for gunboats manned by Iran's Revolutionary Guards during the eight-year Gulf war.

The paper said it had the names of all the prominent people aboard the yacht but would not publish them "to avoid affecting the secret contacts going on with Iran at the highest levels to end the incident."

In addition to five members of the Gulf royal family, press reports quoted government and diplomatic sources as saying the four Britons were young women, but other diplomats said the four were the crew of the yacht.

One rumour circulated in Kuwait said that the son of the late Egyptian President Anwar Sadat was also on board.

Al Anbaa said the last message received from the yacht was at 4 pm (1300 GMT) Thursday, six hours after it had sailed from Bahrain.

Officials at Bahrain's leading yacht club, the Marina Club said their registers showed a distress signal issued Thursday.

A man speaking English with an Arabic accent said "my yacht is burning. What can I do," according to a club official. The caller did not respond to a request for his location. The call was recorded a couple of hours after the 4pm distress signal reported by *Al Anbaa*.

Authorities at Bahrain's Mina Salman Port said they could have no track of the vessel without a name, and yacht clubs on the island said it would be difficult to track the yacht since vessels do not have to register if they sail through. *Al Anbaa* reported that the yacht arrived in Bahrain earlier from a French port.

A spokesman for the Iranian embassy in Kuwait said: "We have no information yet. We read the report like you in the newspapers."

Independent Television News in Britain quoted diplomatic sources in Kuwait as saying the yacht was apparently seized for ransom after it strayed into a sensitive area near Iran's Farsi island. The ITN report said that officials had leaked the information of the "kidnapping to *Al Anbaa* because Revolutionary Guards were demanding a high ransom on negotiations for the release of those on board were going badly.

In London, the Foreign Office said it had heard nothing about the report. "We've asked our embassies in the region, but they know nothing about it," said a spokesman, speaking anonymously in line with standing regulations.

US Navy sources said earlier this year that they believed Iranian gunboats based on Farsi island had been removed after the ceasefire with Iraq.

The Navy sources said there were indications the base had been closed presumably as a gesture of goodwill to merchant shipping.

Since the UN-sponsored suspension of fighting in the Gulf war there have been no reported Iranian attacks on shipping.

(Continued on Page 2 col. 4)

Syria accused of trying to kill Aoun

BEIRUT, March 26, (UPI): The Christian-led Lebanese Army yesterday accused Syrian troops of trying to assassinate military government leader Major General Michel Aoun after rockets struck the presidential palace during renewed fighting in and around the capital.

Army troops retaliated by shelling the Syrian-held town of Shtaura, 22 miles (35 km) east of Beirut, and the Syrian military command headquarters in West Beirut, security sources said.

Police said dozens of shells and rockets crashed into Christian and Druze villages in the mountains around Souk Al Gharb, seven miles (11 km) southeast of Beirut, and fighting also broke out along the Green Line, which divides Christian and Muslim sectors of Beirut, police said.

Security sources said at least six civilians were killed and 20 others wounded in the fighting that subsided early today. The latest casualties brought to 97 the number of people killed in a wave of sectarian violence that began March 13.

Police said several rockets struck the presidential palace in the Beirut suburb of Baabda. Aoun, who was not injured, heads the Christian-led military cabinet.

The Army said the rocket assaults were launched from a Syrian-manned artillery battery along the main road to the Beirut airport and were targetted at Aoun.

"Syrian rocket launchers hit the presidential palace in a bid to assassinate the head of the legitimate authorities," the Army said in a statement.

Police said Army gunners retaliated by shelling Shtaura and Syrian positions along the airport road. Army sources said one shell hit a Syrian-manned artillery battery and killed six soldiers.

Soviet elections

Former Moscow Communist Party boss Boris Yeltsin (left) and Soviet physicist Andrei Sakharov cast their ballots in central Moscow polling station. (Reuter wirephoto)

See Soviets go to polls Page 4

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آج کے اردو صفحات میں

- ایرانی بحریہ نے عرب خاندان کو اغوا کر لیا
- عوامی شکایات کا ازالہ کریں وزیر اعظم کی ہدایت
- بے نظیر بھٹو کے ہاں دوسرے بچے کی توقع

WEATHER

CLOUDY weather with moderate northwesterly wind changing to moderate to fresh south-easterly causing dust.
State of sea: rough
High water: 3.00am, 2.00pm
Low water: 8.00 am, 9.00 pm
Sunrise: 5.44 am
Sunset: 6.03 pm
Maximum temperatures recorded:
Kuwait: 27°C 81°F
Ahmadi: 24°C 75°F
Failaka: 23°C 73°F
Minimum temperatures recorded:
Kuwait: 18°C 64°F
Ahmadi: 19°C 66°F
Failaka: 19°C 66°F
Maximum temperatures expected:
Kuwait: 26°C 79°F
Ahmadi: 23°C 73°F
Failaka: 22°C 72°F
Maximum humidity recorded:
Kuwait: 72 per cent
Ahmadi: 81 per cent
Failaka: 84 per cent

NEWS IN BRIEF

Rifles banned

WASHINGTON, March 26, (AP): The customs service has been ordered to stop at US borders previously approved shipments of thousands of military-style assault rifles, a government spokesman said.

Gerard Rudden, a spokesman with the Treasury Department's bureau of alcohol, tobacco and firearms, said the agency was requesting enforcement by customs of a temporary import ban on five types of semi-automatic weapons.

54 killed in clashes

LISBON, Portugal, March 26, (AP): Recent clashes between Angolan forces and UNITA rebels have resulted in the deaths of 22 rebels and 32 civilians, the state news agency ANGOP reported yesterday.

According to the ANGOP report monitored in the Portuguese capital, government forces destroyed some 500 rebel huts during the clashes, that took place in the central provinces of Malange, Bie and Huila in this war-torn southwest African nation.

Ugandan rebel raids

NAIROBI, March 26, (Reuter): More than 13,000 people have fled from their homes in eastern Uganda after attacks by rebels and tribal cattle rustlers, Radio Uganda said today.

The radio, monitored in Nairobi, quoted Army commander Elly Tumwine as saying more troops had been deployed in the area to meet the situation.

Greek air show

ATHENS, March 26, (AP): Greece's newly-purchased Mirage 2000 jetfighters swooped over the capital as part of day-long celebrations yesterday to mark the 168th anniversary of Greek independence from Ottoman Turkish rule.

The air show followed a Greek Orthodox Church service attended by Premier Andreas Papandreou and President Christos Sartzetakis.

10 activists detained

MERCURY, Nevada, March 26 (UPI): A Catholic priest and nine other anti-nuclear activists were arrested at the Nevada test site yesterday, after conducting religious ceremonies at a former chapel on the top-secret nuclear compound.

Police disperse demonstrators

Unrest in Kosovo town of Urosevac

PRISTINA, Yugoslavia, March 26, (Reuter): Yugoslav police dispersed small groups of ethnic Albanian demonstrators in the Kosovo town of Urosevac today in continuing unrest after three days of rioting, official sources said.

Groups of protesters began to gather in the town square at mid-day but police dispersed them before the crowd could grow.

The town, 240 km (150 miles) south of Belgrade, was heavily patrolled by police with automatic weapons, tear-gas and armoured vehicles, the sources said.

The town was sealed off and foreign journalists who tried to reach it were turned back at police road blocks. Air Force jets flew overhead.

Kosovo President Remzi Koljgeci held talks with security chiefs overnight on how to stabilise the situation following the worst ethnic violence here since separatist riots in 1981.

There have been disturbances in four Kosovo towns since Thursday with the worst violence at Urosevac where thousands of Albanians, some wielding clubs and axes, battled riot police, who used batons and tear gas to disperse them. Some shots were fired at police.

Hundreds of protesters have been arrested, and many police and demonstrators were injured, witnesses said.

The rioting flared on Thursday after constitutional changes were adopted curbing Kosovo's powers of self-rule in favour of Serbia, the largest of Yugoslavia's six republics, of which Kosovo is an autonomous part.

The Albanians, who form a 1.7 million majority in the province, fear a loss of political, cultural and educational rights under the constitutional changes. Serbia denies this will happen.

Urosevac was quiet this morning but local residents said they expected more unrest — at least until the constitutional changes are proclaimed as law in Belgrade on Tuesday.

The Koljgeci meeting decided to launch a drive among Urosevac citizens to persuade them that the constitutional changes would not deprive them of rights, officials said.

Officials said hundreds of workers at factories and mines had been suspended or jailed for up to 63 days for defying compulsory work orders served under state of emergency rules.

Kosovo Albanians staged a general strike last month, which prompted the state presidency to declare a partial state of emergency and deploy tanks and troops in the province.

Strikes have continued and much of the economy in Kosovo, which is rich in minerals, has been paralysed for a month.

The changes give Serbia control of Kosovo's police, courts, civil defence and selection of officials, and a free hand to reduce the province's autonomy further in the future.

They proclaimed support for former Kosovo Communist Party leader Azem Vlasi who was arrested three weeks ago and accused of fomenting nationalist unrest.

Last year Albanian schoolchildren and parents staged a protest in Tetovo over language rights in the schools and there were minor clashes with police.

Riot police, some wearing gas masks, patrol the streets in Yugoslavia as ethnic Albanian demonstrators rampaged through Kosovo. (Reuter wirephoto)

Crackdown ordered

Riot police deployed in Seoul to halt protests

SEOUL, March 26, (AP): South Korea deployed thousands of riot police in a major show of strength today in Seoul after President Roh Tae-Woo ordered a crackdown on radical groups to end violent anti-government protests.

Riot squads were posted outside important government buildings and at some major intersections. Police officials said the squads had been deployed as part of the crackdown, but declined to say how many officers were involved.

Roh last week ordered security forces to take tough measures to halt a wave of protests and break up radical organisations he charged were trying to stage a violent revolution. About 700 riot police in 18 buses were posted at the US embassy as part of the show of strength.

No incidents were reported in Seoul, but radicals clashed with riot police in the southern provincial cities of Kwangju and Chonju, according to Yonhap, the national news agency.

Police battled about 600 protesters who hurled firebombs and rocks in Chonju after they were blocked from marching out of Chonbuk University, Yonhap said. Several hundred students battled police in Kwangju after police blocked them from leaving Chonam University to support strikers at a shipyard, the report said.

About 1,000 dissidents and radical students took part in a peaceful rally at Korea University in the western part of the city to demand Roh's immediate resignation. Dissident leaders denounced Roh and accused him of attempting to impose military rule.

Moon Ik-Hwan

Dissident Moon faces legal action

SEOUL, March 26, (Reuter): Leading South Korean dissident Moon Ik-Hwan, on an unauthorised visit to Pyongyang, will face legal action carrying a maximum death penalty when he returns, a government spokesman said today.

Moon, a 71-year-old presbyterian minister, arrived in the North Korean capital yesterday with an undisclosed number of his followers for reunification talks with President Kim Il-Sung.

Death for drug traffickers

Singapore a transit point

SINGAPORE, March 26, (Reuter): As passenger jets begin the descent towards Changi airport cabin loudspeakers warn of "severe penalties for drug offences in Singapore."

To make sure the message gets across, landing cards that visitors must fill out warn in bold red letters: "Death for drug traffickers under Singapore law."

But ironically the South East Asian country's reputation for having some of the world's toughest anti-drug laws is tempting traffickers to use this as a transit point on their way to Europe.

Poh Goek Ek, director of the Central Narcotics Bureau, said traffickers knew about the harsh penalties but still took the risk of breaking their journey here in the hope that authorities abroad would be less strict in checking passengers arriving from Singapore.

Singapore's anti-drug laws stipulate a mandatory death sentence on conviction for trafficking in more than 15 gm (half an ounce) of heroin and more than 30 gm (one ounce) of morphine.

Acting Health Minister Yeo Cheow Tong said drug activities increased last year in many countries including Singapore, because of bigger supplies from South East Asia's infamous "Golden Triangle" area linking Thailand, Burma and Laos.

To deter the entry of so-called "ant traffickers," those dealing in relatively small quantities of drugs, the government last year tightened security checks at the causeway linking Singapore to the Malaysian state of Johore Baru and installed urine testing machines at all entry points into the city state.

Authorities have also tightened the issuing of passports to Singaporeans aged 20 to 30.

KGB tried to recruit Tower's secretaries as agents

LONDON, March 26, (UPI): Soviet KGB agents tried unsuccessfully to recruit former US senator John Tower's secretaries as informants while Tower served as an American arms negotiator in Geneva, the Sunday Times of London reported.

One Tower secretary allegedly fraternized with a suspected Soviet agent on at least four occasions before being warned to stay away from the man, according to secret US Central Intelligence Agency documents cited by the newspaper.

The documents were made available to US congressmen during the Senate's hearings on whether to confirm or reject Tower, President Bush's nominee for secretary of defence, the Times said.

The Senate rejected the nomination following a debate that focused on reports of Tower's excessive drinking, womanizing and cozy relations with defence contractors.

US intelligence agents learned Tower's secretaries had been targeted by the KGB after receiving a tip from a Russian defector, sources familiar with the CIA documents told the Times.

Supporters of Marcos face deportation from US

HONOLULU, March 26, (UPI): Four supporters of former Philippine President Ferdinand Marcos are facing preliminary deportation hearings tomorrow before a US immigration judge, the Honolulu Star-Bulletin reported yesterday.

Attorney Ronald Oldenburg, who represents the Marcos associates, said as many as 15 of them may face deportation back to the Philippines.

The Monday hearings for Marcos spokesman Gemmo Trinidad, and for Armando Dolina, Jose Guillo and Jorge Cuarton — who otherwise were not identified by the newspaper — will be held via telephone with a federal immigration judge in San Diego, the Star-Bulletin reported.

None of Oldenburg's clients was among the group that arrived in forced exile with Marcos in February 1986 or was granted parole status by the Immigration and Naturalisation Service in the past few months.

Oldenburg said he was informed by an INS agent last month that his clients would be given a chance to voluntarily return to the Philippines or be deported.

He said he told the official his clients would not leave the United States voluntarily and as a consequence notices were issued to show cause why they should not be deported.

The action is intended to "isolate and to some extent harass the Marcos group and intimidate them into incriminating Mr Marcos," Oldenburg said.

Marcos, 71, has been in St. Francis Medical Centre since Jan 15 for heart and lung ailments.

He and his wife, Imelda, are accused of stealing $103 million from the Philippine treasury and then defrauding US banks of another $242 million through refinancing schemes.

On Wednesday, former Philippine Education Minister Jaime C. Laya was arrested in Honolulu as a material witness against Marcos.

Laya was among five former cabinet leaders who came to the Hawaiian islands to visit their former leader.

Man survives longer than any other on blood pump

PITTSBURGH, March 26, (AP): A 46-year-old bond salesman reached a milestone yesterday, surviving longer than any other patient on an electric pump that helps ailing hearts pump blood.

But Jack Fisher, who has been waiting for a heart transplant for the 107 days he has been on the electric pump, said yesterday he'd rather have a new heart than be a record breaker.

But "I don't mind" being a medical pioneer, Fisher said, relaxing in his Pittsburgh hospital room with his wife, Edie, 39, and four of their five daughters. The girls arrived on Thursday from the family's home in New Jersy to spend the Easter weekend with their father.

"It's kind of funny to think of my dad breaking a record," said Alison Fisher, 13. "I'm upset that he's sick and everything, but I'm happy he's alive."

Surgeons at Presbyterian-University Hospital of Pittsburgh implanted a novacor left ventricular assist device into Fisher in an operation that ended Dec 9.

Fisher had been diagnosed 3-1/2 years earlier with cardiomyopathy, a disease of unknown origin that damages heart muscle.

Silence clouds mystery yacht

(Continued from Page 1)

"We're very puzzled by the Kuwaiti report," one Manama-based shipping source said.

"It hardly seems likely Iran would risk escalating tension in the region by such an act," the source said.

Arab government officials said the incident, if true, could have been carried out by a small group of fanatic Iranian Revolutionary Guards who reject Tehran's decision to make peace with Iraq.

Shipping executives, who spoke on condition of anonymity, said there were at least two cases in recent months of "pirates" seizing vessels in the northern Gulf.

"They just turn over people aboard to the nearest fishing boat and seize the boat," said one of the sources. A Kuwaiti fisherman said he had heard the same from his companions.

The sources said the pirates were most likely Iranians.

Meanwhile, the freighter *MSV Kirti*, transporting 378 goats from India to the United Arab Emirates, arrived in Dubai several days overdue Sunday, after being intercepted and held by the Iranian Navy, its owner revealed.

The owner, UAE national Mansour Aziz Elias, told the Associated Press the ship which had sailed from Port Tuna in India on March 8, was seized by the Iranian Navy on March 17, when it strayed into Iranian waters during a storm.

The Iranian authorities detained the ship and its crew for several days on suspicion the goats had been stolen from Iran, Elias said. But they allowed the ship to continue its journey after determining its goat cargo was legal, he added.

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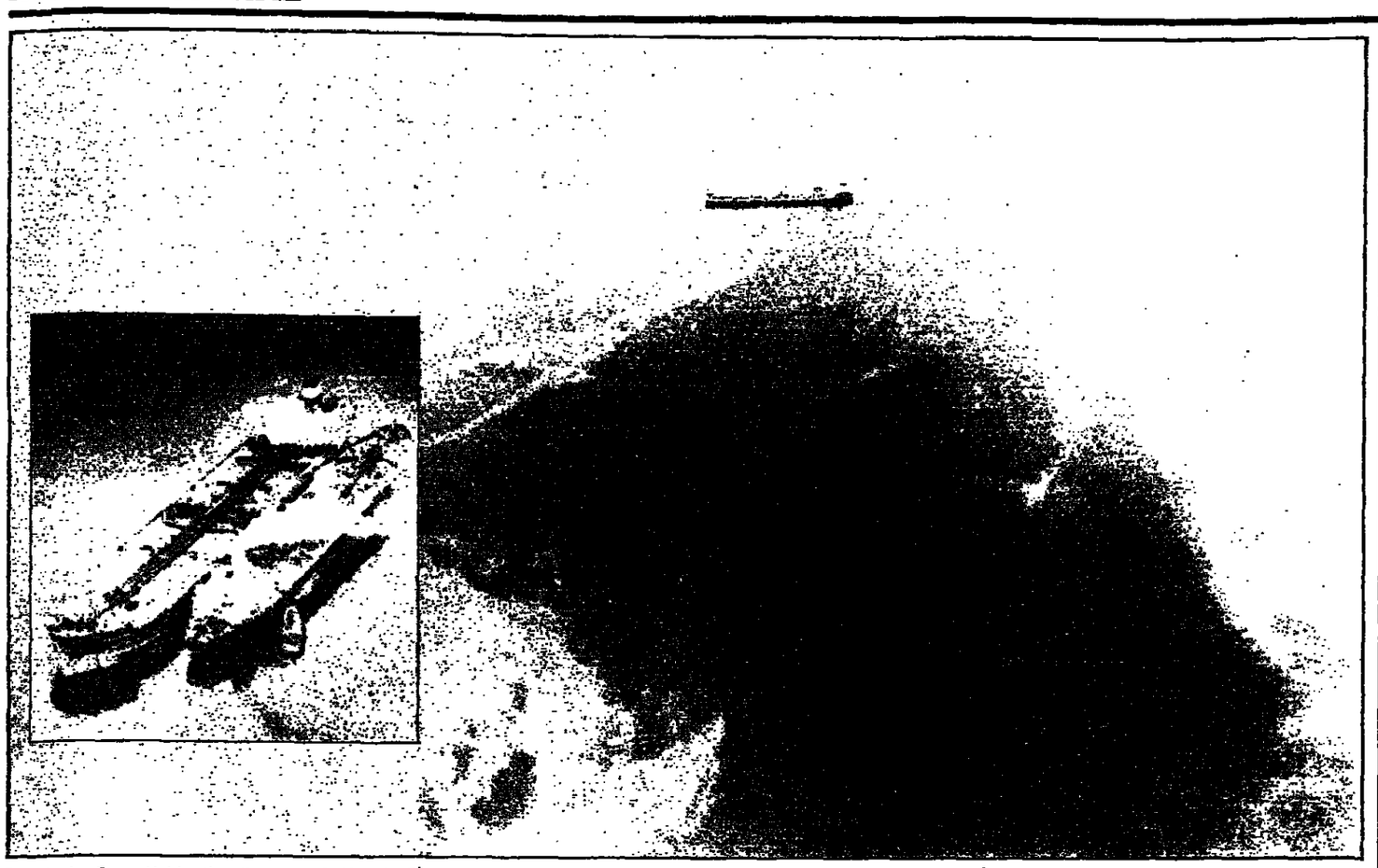

Supertanker Exxon Valdez (inset) surrounded by 11 million gallons of crude oil in Prince William Sound after the tanker ran aground on a charted reef just after filling up with more than 53 million gallons of oil at the Valdez oil port and heading south to California. (Reuter wirephoto)

Efforts to contain oil spill fail

VALDEZ, Alaska, March 26, (UPI): Cleanup efforts stalled when aerial chemical bombing failed to disperse US history's biggest oil spill, which blackened icebergs and 50 square miles (130 sq km) of once-pristine waters teeming with marine life off southern Alaska.

The Coast Guard said blood tests were administered to three top crewmen of the tanker that ran aground and spewed 11 million gallons of oil into Prince William Sound. The crewmen also were subpoenaed to give information to National Transportation Safety Board investigators who were scheduled to arrive today to take charge of the probe.

Two days after the spill, little clean-up had been done — worrying biologists and angering state officials and fishermen, and the minimal efforts halted at nightfall.

The Coast Guard said last night oil had spread over 50 square miles (130 sq km) — an area far too big for limited containment booms and clean-up gear in Valdez. Exxon, which owns the grounded tanker and oil, flew in clean-up equipment, workers and 40 experts yesterday.

Exxon Shipping Co. president Frank Iarossi told reporters, fishermen and worried citizens at meetings Friday and Saturday in this city of 3,600 people, "Exxon takes full responsibility."

Valdez City manager Doug Griffin and Griffin and Gov. Steve Cowper used the same words to describe oil spill response: "Slow and inadequate."

"It's like using a BB gun on an elephant," Griffin said.

"We simply don't have enough equipment, to contain it," Cowper said after touring the spill site. "No one does. You couldn't contain it with all the equipment in North America."

Coast Guard officials have not reached any formal conclusions why the 987-foot (300m) tanker Exxon Valdez ran aground early Friday some distance from an approved tanker route. But chief Mark Peterson said they called police to help administer blood alcohol tests to three crewmen, Capt. Joseph Hazelwood, the helmsman and 3rd mate.

Police and Coast Guardsmen took blood samples more than seven hours after the ship ran aground on Bligh Reef just after leaving Valdez. Coast Guard Lt. Ed Wieliczkiewicz said there was probable cause to analyse the blood, but because the tests came hours after the tanker left Valdez, officials were not sure the tests would produce evidence they were seeking.

UK bishop sparks controversy

Resurrection spiritual

LONDON, March 26, (Reuter): A controversial Anglican bishop, who once questioned the literal truth of the virgin birth, said in an Easter message he did not believe Jesus Christ had literally risen from the dead.

The Rt Rev David Jenkins, Bishop of Durham in northern England, said on a television religious programme the resurrection in the gospels was spiritual rather than physical.

He said he believed the disciples had not seen a corpse coming to life but felt the spiritual presence of Jesus after crucifixion and burial.

"I don't think it means a physical resurrection. It means a spiritual resurrection, a transforming resurrection, a real resurrection," he said. "To know he is alive in eternity must be more than the encountering of a ghost."

The gospels say that Jesus appeared before his 11 disciples several times after his death to instruct them to preach his word to all nations. Christians celebrate Easter Sunday as the day of resurrection.

Jenkins came under immediate attack from Conservative Party politicians. They demanded Archbishop of Canterbury Robert Runcie remove him from office.

Hundreds held for protesting abortion

LOS ANGELES, March 26, (Reuter): Police arrested 730 US abortion opponents yesterday after they blocked the entrances to a family planning clinic on the third and last day of a major anti-abortion protest.

The demonstration was staged by the militant Operation Rescue organisation, which had announced it would target Los Angeles over the Easter weekend. Arrests totalled more than 1,100 for the three days.

The abortion debate has heated up in the United States, where conservatives are strong enough to threaten to overturn a 1972 landmark law that gave women the right to an abortion.

Two thousand people — 700 from Operation Rescue, 1,000 who believe women have the right to decide on abortions and 300 onlookers — gathered outside the Los Angeles clinic.

Abortion opponents sang hymns while supporters chanted "keep abortions legal" and sang "Amazing Grace."

Police began arresting the opponents and handcuffing them when they blocked entrances to the clinic.

Most were charged with trespassing, but Operation Rescue leader Randall Terry and three lieutenants were charged with conspiring to encourage others to commit a crime. They are expected to remain in custody at least overnight.

Operation Rescue spokeswoman Irina McGirk said the protest was a success because no abortions were performed at the clinic during the day.

Chief Daryl Gates said he would urge the city attorney to sue Operation Rescue for the $60,000 to $100,000 the police operation had cost the city.

There have been 1.5 million abortions annually in the United States since the 1973 Supreme Court decision that legalised abortion in all states.

Operation Rescue, based in New York, has staged demonstrations nationwide, notably at the Democratic National Convention in Atlanta last summer. Arrests of its members since 1987 total more than 21,000.

A surfer spending part of his Holy Week vacation at the Sunzal beach, El Salvador and a soldier on patrol stroll past each other during this holiday weekend. (Reuter wirephoto)

Pope calls for a halt to civil war

Christians mark Easter

VATICAN CITY, March 26, (UPI): Pope John Paul II led Roman Catholic Easter celebrations today, urging men to reconcile themselves with God and each other and stop "rushing headlong towards self-destruction and death" through vice, intolerance and violence.

In his traditional, message delivered after Easter mass in a thronged St Peter's Square, the pontiff appealed in particular for an end to the civil warfare that has wracked Lebanon since 1975.

Then he extended brief Easter greetings to the nations, ranging through 52 languages from Italian, French, English and German to Arabic, Vietnamese and Filipino Tagalog.

An estimated 180,000 pilgrims of many nations crowded between the encircling columns of Gian Lorenzo Bernini as John Paul II, in warm spring weather, celebrated a Latin mass over a linen-draped, gold-wrought altar and amid many-hued Dutch flowers.

He deplored places "where there do not exist conditions worthy of a truly human life through lack of housing, promiscuity, vagrancy," and "where the innocence of children is exploited and corrupted ... where the shameful commerce of vice is carried on and women are still its main victim."

He also condemned "intolerance, whatever name it bears," stating that religious freedom, "though .... written in the constitutions of states and in international conventions, is often today trampled upon in many different ways."

Fears

Meanwhile, the Archbishop of Canterbury acknowledged in his Easter sermon today that world events raise more fears than hope, but said nothing is so terrible it cannot be turned around for the better.

Archbishop Robert Runcie, spiritual leader of the Church of England and of 70 million Anglicans worldwide, said, "we live in a world in which the worst looks as if it is going to happen and the worst often does happen, and yet out of the anguish and waste, love and trust come in new forms."

"A sober look at the world seems to raise more fear than hope," Runcie told the congregation at Canterbury Cathedral, 54 miles (88 kilometres) east of London.

"Terrorism and violence increase. Whilst the nuclear threat may diminish, we now have the erosion of the ozone layer to worry us. And in medicine it sometimes seems that the deadlines of new diseases replaces victories over the old."

On the light side

Cache of Roman coins found

AMIENS, France, (AP): A construction crew bulldozing a factory site uncovered a cache of about 8,000 silver and copper Roman coins dating from the third century AD, archaeologists say. The coins were in perfect condition 1,700 years after they were buried in two jars at the time of barbarian invasions of northern France, said Tahar Ben Redjeb, an archaeologist for the regional department of historical antiquities.

Donkeys to replace wheelchairs

HARARE, Zimbabwe: (AP): The Zimbabwe Red Cross has launched an appeal for donkeys to replace wheelchairs used by disabled people in the countryside. "What is the point of giving a disabled person a wheelchair in the rural areas where you know it's unnavigable and long distances are involved?" said spokesman Victor Chitongo. "A donkey has been found to be suitable because it's unlike a wheelchair which needs repairs," he said. "It feeds while the user is in class ... the only problem arises when it can't be used to take the disabled to the toilet."

Students reach on the top

MONROE TOWNSHIP, New Jersey, (AP): An elementary school principal who pledged to go to great heights to spur his pupils to read did just that — he spent the day on the school's roof. Whitehall elementary school principal John Muller told pupils at the start of the school year he would spend a day on the roof — despite his fear of heights — if they would read one million pages. The 650 pupils reached their goal this month, helped by guest speakers and parents whose reading to the children was counted in the total. So on Tuesday, Muller relinquished his duties to a pupil.

Wild Asian elephant sold

TAMPA, Florida, (AP): An Asian elephant that fatally crushed a Busch Gardens handler last month has been sold to Ringling Brothers and Barnum and Bailey Circus for its breeding programmes, a spokesman for the theme park said. Busch Gardens officials set out to sell the 17-year-old elephant after the three-ton animal crushed a handler to death on Feb 5. The elephant, named Casey, was sold and left the park last week, spokesman David Conrod said. The US Department of Agriculture and the US Occupational Safety and Health Administration were expected to report on the accident within two weeks.

Ullmann resting in Boston

NEW YORK, (AP): Actress Liv Ullmann is "resting comfortably" after an appendectomy at Massachusetts General Hospital. The Norwegian actress' publicist, John Springer, said Miss Ullmann returned to her Boston home over the weekend, after finishing the film "Rose Garden" in Germany. She had intense abdominal pain, and her husband, Donald Saunders, took her to the hospital where she had surgery. Miss Ullmann is expected to return home in a few days.

Actor has 18 aliases

BANNING, California, (AP): Police had to sort through 18 aliases to identify the allegedly drunken hit-and-run driver accused of hitting a car driven by actor Bernie Koppell. The driver finally was identified as Jose Meraz Guillen, 28. California highway patrol officer Dan Fandrich said. Guillen was being held at Riverside county jail in lieu of $25,000 bail on seven charges including drunken driving, reckless driving and hit-and-run driving.

Second incident in one month

Wing damage 'minor fault'

MANILA, March 26, (Reuter): United Airlines said it was repairing a Boeing 747 which lost part of a wing while flying over the Pacific with 347 passengers and crew aboard and hoped to put the plane back in the air today.

The US airline and Manila airport officials declined to discuss the cause of the incident, which forced the US-bound jet to return to Manila soon after takeoff yesterday.

The airline's supervisor for customer relations Dulce Daluz, said it was "just an ordinary mechanical problem that can happen to any airline." He said the aircraft was likely to resume its flight for the United States via Tokyo today.

No-one on board was hurt but one male passenger was treated for chest pains when the plane landed safely in Manila after a fiberglass section of its right wing was torn off.

It was the second incident on a United Airlines flight over the Pacific in just over a month. On Feb 24, nine passengers were swept to their deaths when another of the airline's Boeing 747s lost a door and part of its fuselage on a flight from Hawaii to New Zealand.

The US Federal Aviation Administration later ordered US airlines to reinforce the locks on Boeing 747 cargo doors.

The US airline industry has also proposed a big repair programme prompted by an accident last year in which an old Aloha Airlines Boeing 737 lost part of its roof over the Hawaiian islands.

In New York, airline spokesman Russ Mack said by telephone that at no point were passengers and crew in danger.

Tiger mauls girl

Man falls victim to lions

MELBOURNE, March 26, (UPI): Melbourne Zoo workers found the mauled body of a man in the lions' enclosure, police said today. Officials said the man had been partly eaten.

In a separate incident at the Western Plains Zoo in Dubbo, 300 miles (482 km) west of Sydney, a tiger mauled a 6-year-old girl yesterday when she put her right hand through a fence. Chantelle Owen was in good condition after a two-hour operation on her hand, hospital officials said.

At the Melbourne Zoo, animal curator Bob Anderson had arrived to feed the lions yesterday when he discovered the dead man's body with a lion sitting near it, police said.

"He had been fairly well mutilated," detective sergeant Neil Beeson said. "The only parts intact were the head, shoulders, both arms and one leg. The rest was fairly well eaten."

1989

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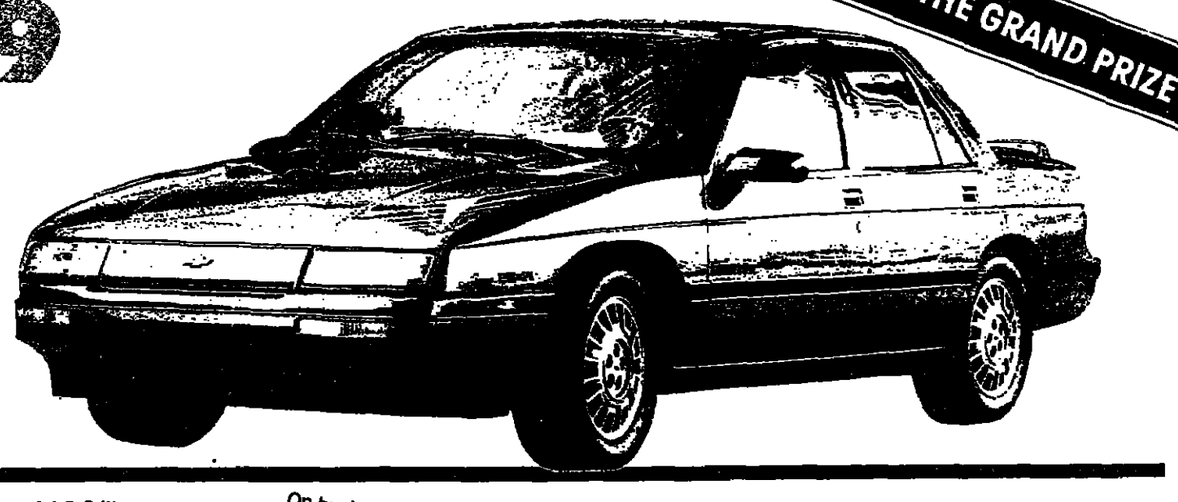

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Turkish poll violence kills two

ANKARA, March 26. (Reuter): Two people were shot dead and 28 were injured in Turkey today during municipal elections likely to determine the political future of reformist Prime Minister Turgut Ozal.

Ozal, who has threatened to resign or call a snap general election if the results make it difficult for him to govern, said in a final campaign appeal that "dark forces" aimed to destroy Turkey.

The violence during voting for mayors and assemblies in 2,000 towns and cities was believed to be the worst in eight elections and referenda since military rule from 1980 to 1983.

The semi-official Anatolian news agency said two people were shot dead and 17 were injured in a series of clashes between rival party supporters in the eastern province of Kars. Eleven people were hurt in fist fights in the southeastern provinces of Mardin and Adiyaman.

The poll is viewed widely as a confidence vote in Ozal, 61, a pro-Western conservative who has dominated Turkish politics since taking office in 1983.

Opinion polls suggested his Motherland Party, returned to power for five years in 1987 general elections, and the main opposition Social Democrat Populist Party (SHP) would each win about one third of the vote.

"We are awaiting the results with happiness," said SHP [illegible] Erdal Inonu after voting in Istanbul.

Ozal said in a television address on Saturday: "Power groups of various types have taken advantage of deadlock in Turkey's problems ... if they could, they would destroy us."

"I am speaking to the forces of the underworld," added the Prime Minister, who was shot in the hand by a gunman last June. "I know that the militant who fired two shots at me was organised by you, the dark forces. But I will continue my fight as long as I live."

Housewife Mucella Akat told Reuters after voting in Istanbul's affluent Bebek area, "We need a change of blood. I have never seen such a difficult time as in the past two years."

A housewife in Ankara, capital of the mainly Muslim but secular country of 54 million people, said: "I will vote for Ozal because there is no alternative."

Two Yeltsin supporters unfurl a banner during a mass rally outside Moscow's Luzhniki stadium on the eve of general elections in the USSR. (Reuter wirephoto)

Gorbachev rejects faster reform

Soviets go to polls

MOSCOW, March 26, (Reuter): Soviet leader Mikhail Gorbachev rejected Kremlin rebel Boris Yeltsin's demands for faster reform as millions of people voted across the country today in the first contested election for 70 years.

"We must not commit stupidities, try great leaps forward or over-reach ourselves because we could put the people's future at risk," Gorbachev told reporters in a clear reference to Yeltsin just after casting his own vote.

First official results showed Yeltsin sweeping to victory as deputy for Moscow in a reformed Soviet parliament.

Counts at small polling stations in different parts of the capital gave Yeltsin, around 90 per cent of the vote against an opponent widely seen as having official backing.

The craggy, white-haired Siberian, ousted from the ruling Politburo a year ago for suggesting his colleagues were too cautious, said he expected groups to be formed in the reshaped legislature to promote radical policies.

Speaking in pouring rain after voting near the city centre, Yeltsin said opponents within the party had tried to undermine his campaign, during which he won mass popular support with demands for an end to official privilege.

In the direct language which marks his style, he said a Kremlin commission set up to decide whether he had violated communist discipline with his free-wheeling remarks in the run-up to the vote was part of the drive against him.

"I think it is crystal clear that this was done as a way of influencing the election....one could write not a novel but a thriller (about my campaign)," 57-year-old Yelts, i said.

"I am not against the party and the party is not against me. I am against individual comrades and apparatuses," he told reporters.

Yeltsin's battle to win the Moscow seat in what is officially called the country's electoral district number one, has emerged as a significant contest in the vote for a Congress of People's Deputies with power to control government.

But reformers of different hues have also appeared all over the country, challenging old-style politicians they accuse of having led the Soviet Union into a social, economic and environmental crisis.

In the three Baltic republics of Latvia, Lithuania and Estonia, candidates of national-minded popular front organisations are challenging representatives of the local communist parties, themselves strongly reformist.

In the northern Russian city of Yaroslavl, a colonel calling for an end to the student draft and the creation of a professional Army is standing against a general who sees no need for change.

In Zhitomir in the Ukraine, a woman journalist campaigning against corruption looks set to win election to the new parliament despite an official campaign against her.

But in a quarter of the 1,500 constituencies, there is only one candidate - the situation that prevailed across the Soviet Union in elections for almost seven decades and which official commentators now say turned voting into a farce.

Gorbachev, who arrived to vote with his wife Raisa some two-and-a-half hours later than foreign reporters had been told to expect him, signalled that he disapproved of single-candidate ballots.

"It does not contradict the law....but I am in favour of competition and competitiveness, and at all stages," said the 58-year-old Kremlin chief who promoted the new-style elections as part of his perestroika reform programme.

Some 90 minutes earlier his Politburo colleague Yegor Ligachev, whom Yeltsin regards as his chief conservative opponent, arrived with his wife at the same polling station at a physics research institute.

"Don't look for splits in our leadership, gentlemen, because you won't find them," Ligachev told reporters who asked why 78 senior officials had voted against him in party elections to reserved seats in the new congress.

Asked whether he had voted for Yeltsin or the populist politician's opponent, Zil limousine plant director Yevgeny Brakov, Ligachev declared with a grin: "I voted for the worthiest candidate.

"And anyway, the vote is secret," he added with a chuckle.

Election at a glance

MOSCOW, March 26, (UPI): A brief glance at the makeup and mechanics of today's first-ever multi-candidate elections in the Soviet Union.

- 1,500 seats are being contested for the 2,250 seat Congress of People's Deputies — the new parliament. The other 750 seats were allocated in blocks to Communist Party affiliated organisations.
- There are 2,895 candidates running for the 1,500 so-called territorial seats.
- 384 races have only one unopposed candidate. 953 have two candidates and 163 have three or more.
- 85 per cent of all candidates are Communist Party members.
- 16 per cent of candidates are women.

Yeltsin differs

Not an alternative

LONDON, March 26, (AP): Maverick Communist Party reformer Boris Yeltsin was quoted today as saying Soviet President Mikhail Gorbachev's tactics for restructuring the economy should have begun with reforms in food distribution, housing and living standards.

Yeltsin, one of thousands of Soviets campaigning to win a seat in national parliamentary elections today, told the Sunday Telegraph he has "recovered well" physically after being ousted as Moscow's Communist Party boss in 1987, "but psychologically it's difficult — it's like a bereavement."

"The wound heals with time but there are moments when it all comes back and the memory hurts. The lies and the calumnies come back," he was quoted as saying.

Yeltsin said he has different ideas from Gorbachev on tactics for pushing through perestroika, or restructuring, of the Soviet economy but did not see himself as "an alternative to Mr Gorbachev."

"I think where the tactics of perestroika went wrong was in not starting with problems which everyone would have understood: food, goods and living conditions," he was quoted as saying. "We had this grand declaration of 'perestroika on a large front' but we simply do not have the strength nor the resources nor the finances for such a large front.

"We have wasted 3 1-2 years," he was quoted as saying. "Now the new direction is concentrating on exactly those three points. We have admitted that we did not have an overall conception of perestroika."

Yeltsin was quoted as saying the government needs to cut military expenditure and reduce investment in industrial construction by about 40 per cent.

Yeltsin, has crusaded against special stores and better food for the privileged.

"How can one tolerate one man eating good quality sausage and another not," he was quoted as saying. "Perestroika should have started in the party."

Normal ties vital

Begin hails decade of peace

OCCUPIED JERUSALEM, March 26, (Reuter): Former Israeli Prime Minister Menachem Begin said today a decade of peace with Egypt was a major achievement, but any celebration should wait until full relations were restored.

Begin, who shared the Nobel peace prize with the late Egyptian President Anwar Sadat for the 1979 Camp David peace treaty, said he believed the pact was still the only basis for a Middle East peace settlement.

"Until now, we have achieved something very important — a peace treaty with Egypt, the largest Arab state, and Israel. It is impossible to talk about celebrations as long as there is not absolute normalisation," Begin told Israel Radio.

In another interview with armed forces radio to mark the 10th anniversary of its signing in Washington, Begin said:

"Of course all of us would like relations between us and Egypt to reach full normalisation, which has not happened yet.

"But one must remember that there has been no killing on the Israeli-Egyptian border and this is the main point of any peace."

Departure

The two interviews were a departure for Begin, 75, who has lived in virtual seclusion in his Jerusalem home since resigning in 1983. His voice sounded weak but he spoke clearly and displayed a familiarity with recent political developments.

Since Begin and Sadat signed the treaty on March 26, 1979, Israel and Egypt have had what officials on both sides called a cold peace, with little contact outside political circles.

Relations were strained by Israel's invasion of Lebanon in 1982, when Cairo temporarily withdrew its ambassador, and Israel's possession of the tiny Red Sea Taba resort, returned to Egypt this month.

They are now being tested by Israel's handling of the 15-month-old Palestinian uprising in the occupied territories.

The treaty called for five years of Palestinian self-rule in the occupied West Bank and Gaza Strip and negotiations for a permanent settlement between Israel, Egypt, Jordan and locally-elected Palestinians.

The Palestine Liberation Organisation rejected the treaty and many Arab leaders argue that such events as the uprising and King Hussein's severing ties with the West Bank have invalidated its framework for peace talks.

But Begin disagreed, telling Israel Radio: "I think (the peace treaty) is the only practical plan in that there is a partial solution that is possible to achieve."

Prime Minister Yitzhak Shamir, who abstained in the parliamentary vote to ratify the treaty, also said the 1978 Camp David accords should be the framework for future Israeli peace pacts.

"I think the Camp David agreement was a very good thing, an excellent basis for Israel to prepare for peace with her neighbours. I was glad to hear US President Bush also say this," Shamir told Israel Radio.

Begin, who led the rightist Likud Party, criticised the new dialogue between the United States and the PLO, which he regards as a terrorist organisation.

Shamir to deal with US alone

OCCUPIED JERUSALEM, March 26, (Reuter): Israeli Prime Minister Yitzhak Shamir plans to leave Foreign Minister Moshe Arens behind when he goes to Washington next week for a major meeting with US President George Bush, Israeli officials said today.

A senior foreign diplomat said the move would inevitably spark speculation Shamir was unhappy with the results of Arens' own recent visit to Washington, especially if no Foreign Ministry personnel are in the official party as now planned.

Shamir media adviser Avi Pazner said "speculation about a rift between the two men is sheer utter nonsense and, while not planned, the possibility that Arens may accompany Shamir after all has not been ruled out."

Israeli officials said privately both Shamir and Arens were disappointed with the results of Arens' US visit this month when Secretary of State James Baker said Israel too might have to ultimately talk to the PLO.

Forceful

The foreign diplomat, said there was speculation Shamir believed Arens was not forceful or convincing enough with US officials and Shamir now felt he alone should handle the crucial first meeting with Bush.

Israeli officials said Arens was shocked by the attitude of the American media towards him and Israeli policy during his Washington visit. They said the press was not interested in hearing Israeli arguments.

Israeli considers American public opinion an important foreign policy goal, as it receives more US aid — $3 billion a year — than any other country.

Israeli officials said there was no rule that the prime minister should be accompanied by the foreign minister and the Foreign Ministry will be present in Washington through Israeli Ambassador Moshe Arad.

Crucial

But the senior foreign diplomat told Reuters the April 6 meeting between Bush and Shamir was so crucial for Israel that Arens' absence would not be understood abroad.

The United States has made clear it expects Shamir to present new ideas at the meeting on how to advance the Middle East peace process.

Shamir, who last year played a major role in scuttling a peace initiative by former Secretary of State George Shultz, will arrive in Washington amid new US Middle East peace efforts, including talks with the PLO despite Shamir's objections.

Shultz's initiative was based on the need to exchange territory for peace and a possible convening of an international Middle East peace conference, to ideas opposed by Shamir who says they would endanger Israel's existence.

Shamir will travel to Washington between visits there by Egyptian President Hosni Mubarak and Jordan's King Hussein, both of whom the United States hopes to enlist in peace efforts.

Meanwhile, an Army spokesman said troops shot and wounded nine Palestinians during clashes with protesters in the West Bank, eight of them in Tarqumia village near Hebron.

Palestinians marched through Tarqumia and held a memorial service for a resident shot dead by troops one year ago. They carried signs declaring: "No for occupation, yes for Palestine Liberation Organisation." Clashes later broke out with troops.

Palestinians hold a memorial service at the grave of a youth killed one year ago in a village near Hebron. (Reuter wirephoto)

Bush vows to work for peace

Egypt marks accord day

CAIRO, March 26, (AP): The 10th anniversary of the Egyptian-Israeli peace treaty passed quietly today amid a flurry of Arab diplomatic activity to reach a comprehensive peace in the Middle East.

The anniversary was unobserved in most government-controlled newspapers except in a column by Anis Mansoor in Al Ahram newspaper. He wrote that after Arab countries had accused Egypt of treason when the treaty was signed March 26, 1979, they now agreed on the need for negotiations to peacefully end the conflict.

"Today, we no longer need to invite anyone to hold direct negotiations. This is the basis which has no alternative. And it has been accepted by the Palestine Liberation Organisation, the most extreme Arab faction which is now more realistic and flexible," Mansour wrote.

On Saturday, PLO chairman Yasser Arafat and Jordan's King Hussein met with President Hosni Mubarak in the Suez Canal town of Ismailiya to discuss how to convene a UN-sponsored international peace conference which would pave the way for direct talks between Israel and the Palestinians.

Saudi Arabia's King Fahd is scheduled to arrive in Cairo tomorrow for policy co-ordinating talks with Mubarak.

Peace

US President Bush, marking the 10th anniversary of the Camp David peace pact between Israel and Egypt, said the United States would keep working for a peace agreement for the entire Middle East.

"The best way to do honour to those who gave us the treaty of peace between Israel and Egypt is to bring peace to the entire Middle East," Bush said in a statement.

"There is a growing understanding that a settlement can be reached that satisfies Israel's security needs and addresses the legitimate political rights of the Palestinians," he said.

His statement was issued from the Camp David presidential retreat in Maryland where the treaty was negotiated by Egyptian President Anwar Sadat, Israeli Prime Minister Menachem Begin and President Jimmy Carter. The treaty was signed at the White House on March 26, 1979.

Mubarak presses for an end to Mideast conflict

ISMAILIA, March 26, (Reuter): Ten years after Egypt and Israel sealed their peace treaty, President Hosni Mubarak is stepping up the diplomatic pace in the search for an end to the 40-year Arab-Israeli conflict.

The Egyptian leader hosted three hours of talks with Jordan's King Hussein and PLO chief Yasser Arafat on Saturday to forge a joint strategy ahead of Mubarak's official visit to Washington next month.

"It is clear there are positive elements in the American attitude towards the Middle East," he told journalists at the end of the mini-summit in this Suez Canal town.

"We hope Israel will respond so we can all live in permanent peace," he added.

The United States agreed to hold talks with the Palestine Liberation Organisation late last year after the PLO renounced terrorism and endorsed UN resolutions recognising Israel.

Mubarak has urged Israel to accept an international conference on Middle East peace to avoid a further 40 years of wrangling with Arabs.

Ten years ago on Sunday his predecessor, Anwar Sadat, signed a peace treaty with Israel's then-Prime Minister Menachem Begin.

But hopes that the pact would blossom into a comprehensive peace in the Middle East have not been realised and ties between Egypt and the Jewish state remain cool.

New Sudanese cabinet pledges to settle civil war

KHARTOUM, March 26, (Reuter): Sudan's new coalition government, which Prime Minister Sadeq Al Mahdi says will seek peace with southern rebels, was sworn in on Saturday before the country's joint presidency.

Mahdi's Umma Party and the Democratic Unionist Party (DUP), which signed a peace accord with the rebels last November, are the main partners in his fifth coalition in three years.

Umma's short-lived coalition with the militant National Islamic Front (NIF) resigned earlier this month under pressure from Army generals, who told Mahdi he must either spend more on defence or enter peace negotiations with the rebels.

In the new coalition Umma has eight cabinet seats, the DUP has six and four are set aside for parties from the south, where the Sudan People's Liberation Army (SPLA) has been fighting since 1973 against what it sees as domination by the Muslim north.

The new Defence Minister General Osman Mubarak Rahma, is an independent. He was pensioned off by the armed forces in the 1970s under now-ousted leader Jaafar Nimeiri but later served as ambassador to China and Romania.

The rest of the 23 cabinet seats are allocated to trade unions and the communist and Sudan national parties.

The NIF is boycotting the new government, demanding the implementation of Islamic sharia laws — opposed by SPLA.

The DUP quit the last coalition last December after parliament rejected the peace pact with the SPLA, which has scored a string of victories in recent weeks.

MIDEAST BRIEFS

New export curbs

NEW YORK, March 26, (Reuter): US officials have admitted that export controls have many of the same flaws as Western European regulations that allowed companies to help Third World countries build poison gas factories, the New York Times reported. It quoted Bush administration officials as saying that Washington is studying ways to address the deficiencies, partly to shore up US efforts to persuade allies to tighten up their export regulations to help stem the proliferation of chemical weapons.

Death investigation

DUBLIN, March 26, (AP): The Chief of Staff of the Irish Army, Lieut. Gen. Tadhg O'Neill, and a senior aide flew to Lebanon today to monitor the United Nations investigation into the deaths of three Irish peacekeeping soldiers, the Army said. Fintan Henaghan and Thomas Walsh and Manniox Armstrong died Tuesday after their jeep ran over a mine on a dirt road near the town of Barachit, 10 miles (16 km) north of the border between Lebanon and Israel.

Sanctions on Israel

DAMASCUS, March 26, (Reuter): A radical Palestinian guerrilla group today urged the West to impose sanctions on Israel because its policemen posed as journalists to catch Palestinian activists. A spokesman for the Democratic Front for the Liberation of Palestine (DFLP) said the practice was a flagrant violation of international law and human rights and showed Israel respected neither.

No Nigerian visit

OCCUPIED JERUSALEM, March 26, (Reuter): Israel's Foreign Ministry flatly denied today an Israeli newspaper report that a senior Nigerian official made a secret visit to Israel last week to prepare for a formal resumption of diplomatic ties. "It is well known that we see Nigeria, one of Africa's most important countries, as a possible candidate for resumed ties," a ministry spokesman told Reuters.

US senators

ABU DHABI, March 26, (UPI): United Arab Emirates President Sheikh Zayed Bin Sultan Al Nahayan held talks with visiting US Senator Wuyche Fowler, and urged the United States during the meeting to take practical steps to push peace efforts in the Middle East. Foreign Ministry Undersecretary Sheikh Hamdan Bin Zayed and US Ambassador David Lyle Mack attended the meeting.

Arab summit issue

CAIRO, March 26, (Reuter): Egypt, Jordan, Iraq and North Yemen, linked in a new economic bloc, have agreed not to attend Arab summit meetings unless all of them were invited. "We have taken the decision to attend together any Arab summit meetings whether ordinary or extraordinary," said Jordan's King Hussein on Saturday at the end of peace talks with President Hosni Mubarak and PLO chairman Yasser Arafat.

Boycott over film

NICOSIA, March 26, (Reuter): An Iranian newspaper has urged the Tehran government to boycott an Istanbul film festival because The Last Temptation of Christ is due to be shown. Abrar said an Iranian entry in the festival should be withdrawn in protest at the screening of the Martin Scorcese film, which contains scenes of Christ fantasising about making love.

Mufti dies

AMMAN, March 26, (AP): Said Al Mufti, a former Jordanian prime minister, died Saturday, state-run Jordan Television reported. The cause of death was not revealed. Mufti was one of Jordan's most prominent citizens throughout the country's 68-year history as an emirate under British protection and later as an independent kingdom.

Demonstrations

TOKYO, March 26, (Reuter): A group of about 200 Muslims demonstrated near the British embassy today in protest at Salman Rushdie's novel "The Satanic Verses," police said.

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NEWS IN BRIEF

Amiri cable

KUWAIT, March 26, (KUNA): His Highness the Amir sent a cable of congratulations to the President of Bangladesh on the occasion of his country's National Day.

Saudi minister

KUWAIT, March 26, (KUNA): His Highness the Amir received today Saudi Minister of Public Works and Housing Prince Moutib Bin Abdel Aziz Al Saoud and the accompanying delegation.

The meeting was attended by Minister of State for Housing Affairs Nasser Abdullah Al Roudhan and the Saudi ambassador to Kuwait.

HH the Crown Prince and Prime Minister Sheikh Saad Al Abdullah Al Sabah also received the Saudi Minister of Public Works and Housing Prince Moutib Bin Abdel Aziz Al Saoud on the occasion of his visit to the country.

Theatre Day

KUWAIT, March 26, (KUNA): Information Minister Sheikh Jaber Al Mubarak Al Hamad Al Sabah will inaugurate tomorrow the International Theatre Day.

Director of Institutions and Arts Department at the Information Ministry Khalid Ramadan said, the Theatre Day festival due to be held tomorrow until the 2nd of April 2, will include the performance of 10 plays presented by private and student theatres.

The event will also include a documentary theatrical exhibition and a seminar on the development of Kuwaiti theatre movement, Ramadan added.

Students appeal

A NUMBER of students at Kuwait University have appealed to authorities to hasten the implementation of building the proposed University City.

One of the students, Saud Tiima, said that the project has been under study for several years without any positive moves to execute it. The University City when completed will solve overcrowding in classrooms, provide adequate car parks and positively contribute towards a more congenial study atmosphere.

Cleanliness views

A QUESTIONAIRE on public cleanliness will be circulated to a large number of citizens to determine their views on the cleanliness services offered by Kuwait Municipality, according to a local daily.

Meanwhile, Sabah Jaber Al Ali, the acting director-general of Kuwait Municipality, has issued directives for publishing a special guide to assist people in familiarising themselves with documents and procedures involved in every type of official transaction. The guide will state which documents are required for a given transaction, in an effort to help citizens break through the red tape of government procedures.

35 years of Kuwait Airways

KUWAIT, March 26, (KUNA): Kuwait Airways Corporation (KAC) today celebrated its 35th anniversary in a ceremony attended by KAC's senior officials.

Board chairman of KAC Ahmed Al Meshari delivered a speech on the occasion in which he expressed satisfaction over the corporation's accomplishments and performance.

AIDS cases in eastern Mediterranean

A RELIABLE source at the World Health Organisation (WHO) said that through the end of last year, 215 AIDS cases were reported in east Mediterranean states.

The source, attending a panel on AIDS held in Kuwait, told a local daily that Sudan recorded the highest number of AIDS cases in Arab countries, which amounted to 88 followed by Tunisia with 36 cases, Morocco 25, Qatar 21, Lebanon 11, Egypt 6, Syria 5 and Jordan 3 cases.

The source pointed out that Saudi Arabia, North and South Yemen, Bahrain and Libya had denied any cases of AIDS in their countries. Kuwait reported a number of cases, including five Kuwaitis, who carry the AIDS virus.

The source expressed his doubts as to the authenticity of these published figures, and added that the exact figures could be considerably higher than admitted. He expected that carriers of the AIDS virus in the world to be in the vicinity of 5 to 10 million, and believed that AIDS patients will increase from one to two million during the next few years.

Rains lash Hadramaut

Amir orders aid to Yemen

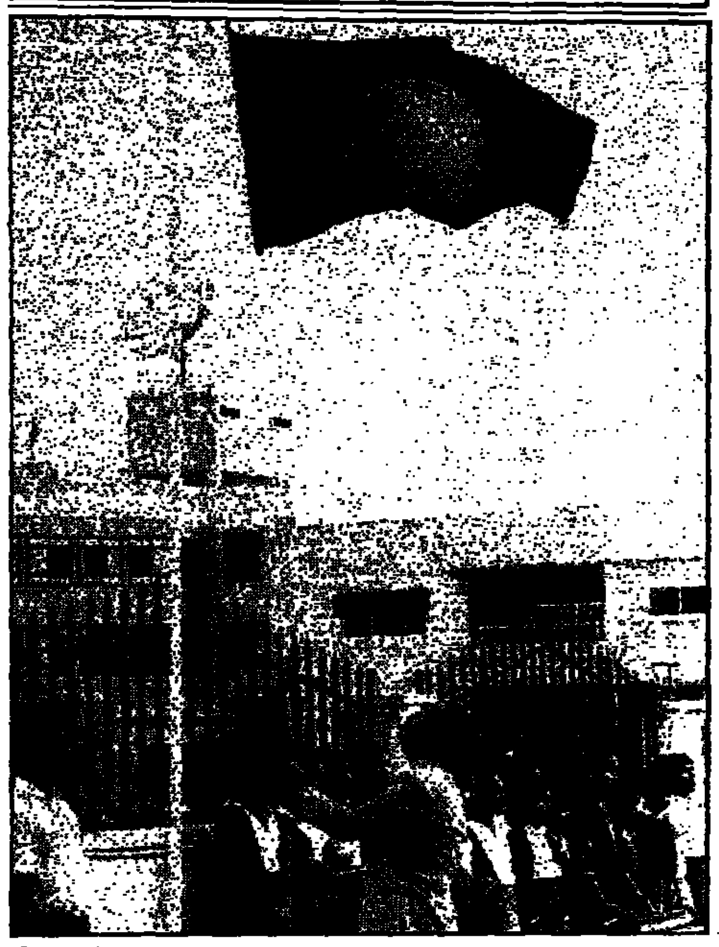
KUWAIT, March 26, (KUNA): Kuwait today expressed profound sympathy for the victims of last week's torrential rains in Democratic Yemen and decided to send immediate aid.

A cabinet meeting today said Kuwait has followed with much concern news of the torrential rains that struck the eastern coastal areas of Democratic Yemen and the resultant deaths and those rendered homeless by the disaster, which inflicted severe material damage.

Instructions

Government spokesman, Minister of State for Cabinet Affairs Rashed Al Rashed told newsmen following the weekly cabinet session that "at instruction of HH the Amir and in solidarity with the brethren in Yemen, the cabinet decided to despatch immediate relief to victims of the floods, including medical equipment and food supplies, to help alleviate their sufferings as a result of the disaster."

Kuwait is the third GCC state, after Saudi Arabia and the UAE, to extend urgent relief aid to South Yemen, hit last Sunday by the worst floods in decades that killed some 15 people and left more than 50,000 destitute in the eastern province of Hadramaut.



Bangladesh National Day

The Bangladesh Ambassador to Kuwait K.M.Shehabuddin yesterday hoisted his country's flag at the embassy premises in Jabriya on the occasion of the Independence and National Day of Bangladesh. A large number of Bangladeshis attended.

New measures from April 1

Driving licence rules relaxed

TEACHERS, journalists, lawyers and librarians will now be eligible to obtain Kuwaiti driving licences, according to a reliable source.

These categories of employees have been exempted from the decision which banned expatriates from obtaining Kuwaiti driving licences, as per instructions issued by the Ministry of the Interior to the General Traffic Department and its branches in the four governorates.

Additionally, it has been learned that there is a move by the Traffic Department to permit pharmacists, graduates of technology institutes, students in Kuwait and persons who were born here and hold foreign driving licences to apply for a Kuwaiti driving licence.

Exemptions

The ministry's clear instructions to all traffic departments are to deal with the new exemptions directly without having recourse to the signature of the director of the Traffic Department.

The Arab Times has learned that implementation of the new measures will begin from the first of next month. Informed sources also said that a written traffic exam will be instituted in addition to the existing practical driving test for obtaining new licences.

Governors plan modifications in Capital and Hawalli

Greener areas envisaged

THE Capital governorate suffers from traffic congestion due to the density of ministries, embassies, commercial complexes, centres and several schools, according to Sheikh Jaber Al Abdulla Al Sabah, the governor of the Capital.

In a co-operative effort with the Ministry of Public Works, the governorate will remove the roundabout in front of its premises and install traffic signals.

This co-operation also extends to paving and expanding roads and utilising empty squares as car parks and public gardens. Afforestation programmes are also being given priority in keeping with the directives of HH the Amir.

Sheikh Jaber said that the new administrative organisation of the governorates, which established the new Farwaniya governorate, is a result of planning studies designed to achieve public interests.

The official added that the capital has no urgent need for housing areas, as the state does its best to provide these needs elsewhere. On introducing nominal fees on medical services, the official said that this will be in the interests of citizens by way of quality and quantitative services.

Meanwhile, Governor of Hawalli Abdul Latif Al Berjes said that his governorate has increased the number of police patrols in a move to cover all areas. He said he appreciated the co-operation of citizens and expatriates in the governorate.

The Public Authority for Agriculture is now establishing public gardens in the Hawalli, Mishref, Bayan and Jabriya areas of Hawalli governorate. It is also afforesting the roads in Hawalli and some blocks in the Shaab, Jabriya and Mishref areas.

Berjes stressed on the vital role of mayors of housing areas in developing services and meeting needs of citizens as well as achieving security. He added that the Crown Prince and Prime Minister and the interior minister give serious consideration to the proposals and comments of mayors in developing public services.

Berjes called for computer services to be introduced in the offices of mayors to keep up with the rapid change in population in their areas and to upgrade security measures.

65pc Kuwaiti women ready for compulsory service

Poll elicits conflicting opinions

THE issue of sexual equality in the field of compulsory services in Kuwait has elicited different opinions.

A weekly magazine conducted a poll to highlight the reaction of women on this issue.

Support

Sixty-five per cent of women in Kuwait expressed their readiness to enter compulsory service. They demanded equality with men in carrying arms to defend the country.

Buniya Naser, a student at the intermediate stage, supported compulsory service for women and expressed complete willingness to join at any time.

Narjes Zainal, head of the foreign schools division at the Private Education Department of the Ministry of Education, alongwith members of the Kuwaiti Red Crescent Society echoed the sentiments of Naser and added that in other Arab countries like Egypt, Bahrain, Oman and the UAE women have actually entered this field.

Responsibilities

Zainal stated that women must serve their country in any field, though it is not necessary to carry weapons as there are other responsibilities in the Army that females are ideally suited for.

Haydi Abas, a student at Kuwait University, said that since Kuwait has a limited population women should join men in all fields of defence.

On the other hand Manal Dashti, a college student, said that she does not support compulsory service for women, and added that Army service does not suit women because men and women have different responsibilities.

Azizah Al Sayed, a physical education instructor and a mother says that military service does not suit women in the Arabian world. But added that women may be educated in some military skills at schools or colleges. She said that she has already taught military education to girls 20 years ago in Egypt. She also taught first aid four years ago in Kuwait.

Those averse to the idea of compulsory service to women believe that it is not conducive to the traditions of Kuwaiti society.

However, an official at the Ministry of Defence said that the idea is still in its formative stages and premature.

Cabinet session

Mitterrand message to HH the Amir reviewed

KUWAIT, March 26, (KUNA): The Council of Ministers reviewed during a regular weekly session today the message addressed to HH the Amir by the French President Francois Mitterrand, which dealt with promoting close bilateral ties, ways to advance the peace process in the Middle East and means to resolve the Lebanese crisis.

Mitterrand's message also included an invitation to HH the Amir to visit France, Minister of State for Cabinet Affairs Rashed Al Rashed told the press after the cabinet meeting.

Polish message

The session, chaired by HH the Crown Prince and Premier Sheikh Saad Al Abdalla, was informed of the message received by the Amir from the President of Poland, which expressed interest in developing and expanding ties of all round co-operation with Kuwait and extended an invitation to HH the Amir to visit Poland.

In this respect, HH the Crown Prince and Premier apprised the session of results of last week's visit to Kuwait by the Prime Minister of Poland and his entourage.

Civil Service

The premier also called upon cabinet members to take practical measures necessary to translate the directives made by HH the Amir to overhaul the Civil Service and realise a qualitative leap in different life aspects of the local community.

The government spokesman added that in his speech to the ministers, HH the Crown Prince and Premier advised them to attentively listen to citizens' complaints and directly resolve them, adding that ministers should pay regular on-the-spot inspection of various departments to assess progress of work and evaluate level of performance with the aim of reformation and upgrading.

Reform

Rashed disclosed that the cabinet has scheduled a special session to further discuss this vital question in order to devise the best means to carry out reform of the Civil Service machinery.

The cabinet further resolved to amend clauses in the Civil Service Law in respect of office tenure of those holding leading posts such that competent ministers would recommend to the cabinet on renewal terms for action by the Council of Ministers.

Rashed concluded that several ministers reported to the meeting on outcome of recent activities they took part in and approved minutes of the Municipal Affairs Committee.

Freak weather hits Kuwait

By Nasser Al Tameemi

AN UNUSUALLY low atmospheric depression caused strong south-easterly winds to blow over the country and bring early night to Kuwait yesterday. The severe dust storm was soon followed by strong showers in all areas of the country.

Weather bureau officials predicted that the unstable weather would continue for the the next two days, with the likelihood of further showers.

Yesterday's strong winds took voyagers and fishermen by surprise. Several boats were reported to have overturned in the sea, and the coast guards had to hurry to the rescue. No one was reported hurt.

Special anti-terrorist department in Kuwait

Effective co-operation among Arab countries

KUWAIT, March 26, (KUNA): Kuwait has set up a special anti-terrorist department made up of highly specialised and qualified personnel along with state of the art equipment, according to a senior security official.

Hamad Al Majed, director of the Arab and International Criminal Police Department (Interpol) announced yesterday that Kuwait has extradited 41 persons wanted by different GCC states and has secured custody of 39 other wanted individuals who had evaded arrest by fleeing the state.

The official added that a number of applications for the extradition of wanted persons are being processed through diplomatic channels.

He described co-operation between the GCC Interior Ministries, particularly in exchanging information on dangerous criminals, as very effective, and confirmed that additional steps are being instituted to enhance the success rate in apprehending criminals. Any request for information on any criminal is met with an immediate response.

Kuwait co-operates with all Arab countries without exception in extraditing criminals and implementing the treaty for combatting crime.

The increase in the number of forgeries and thefts of Gulf passports is solely motivated by plans to use them with criminal intent, Majed said. The official disclosed that a number of such passports were recently seized in several European countries.

Stolen passports

The department has received detailed reports about such incidents and transmitted the information to concerned authorities. Stolen or forged Kuwaiti passports have been used in committing numerous crimes ranging from forgery and smuggling to drug trafficking, kidnapping and terrorist actions.

Western media have seized this opportunity to depict Arabs as terrorists, he said. The department, however, has sent pertinent clarifications to European countries underscoring the circumstances under which these Kuwaiti passports were illegally used. He appealed to all Kuwaitis to ensure the safety of their passports.

Concerning Arab co-operation in fighting terrorism, Majed said that the Council of Arab Interior Ministers has assigned its general secretariat with preparing an Arab Anti-Terrorist strategy in co-operation with the Arab League.

The official added that the project will be studied by the Arab interior ministers. Elucidating, he said that Interpol has so far failed in arriving at a concise definition of international terrorism, due to the diversity of types of terrorist acts and their use by some countries to achieve thier political goals. Majed said that a clear definition should be made between terrorism being used to intimidate innocent people and the fight by nationalists to gain legitimate rights.

He stressed that the drug trafficking in the Gulf region is not yet a problem, but warned that it is expanding because of the direct contacts between the Gulf and the rest of the world through trade, tourism and the presence of a large number of expatriates from many countries.

He said that Kuwait is co-operating with other Arab countries in fighting drugs, adding that his department sends full information about drug traders to the Arab Office for Drug Affairs in Jordan. He noted that the main sources of drugs are the Asian "golden triangle" and some European countries.

GCC traffic delegations

THE Undersecretary at Kuwait's Ministry of the Interior, Major General Yusuf Al Khorafi, received at his office yesterday, GCC heads of traffic delegations who are currently in Kuwait to take part in the celebrations to be held here on the occasion of GCC Unified Traffic Week.

The meeting was attended by the Director-General of Kuwait's Traffic Department, Brigadier Fuad Mussaed Al Saleh.

Audit bureau ensures utilisation of funds

KUWAIT'S Audit Pureau continually monitors the financial administration of the country's ministries and public institutions, a senior audit official explained.

Speaking to a local daily, Fares Al Woqayan, chairman of Kuwait's Audit Bureau, said the bureau endeavours to ensure that public funds are utilised in the most appropriate manner and are not misused. The bureau spares no efforts in ensuring that the country's interests are given paramount importance.

Rationalisation

The official lauded the co-operation extended to the bureau in relation to well-planned expenditures within the framework of austerity, and added that the success of the rationalisation policy can be perceived through a perusal of the statement of final accounts of these authorities.

Speaking of the co-operation among the audit bureaus of the GCC countries, Woqayan said that in 1982, the GCC General Secretariat had hosted a meeting of the chairmen of the member states audit bureaus. The meeting approved the formation of a technical committee and working team to follow up on the feasibility of unifying surveillance methods in member states.

Municipality to set up food testing laboratory

AN AGREEMENT has been reached between Kuwait Municipality and the Kuwait Union of Food Producers to set up a food testing laboratory, an official source said.

The source added that the agreement was reached during a joint meeting held in the presence of senior representatives from both agencies. During the meeting, Abdul Aziz Saud Al Bader, deputy director of the Goods and Shop Licensing Department, expressed the municipality's wish to set up the proposed facility in joint co-operation with a leading agency in the private sector.

The idea of this facility received support from the secretary of the union, who pledged full co-operation. The proposed laboratory will conduct tests on food samples imported from abroad or produced locally. Costs of such tests are to be borne by the private agency.

Under conditions of the agreement, the municipality will undertake the preparation of the technical and economic feasibility studies needed for the proposed facility on the basis of which recommendations will be adopted.

Five years for underage sex

KUWAIT'S Court of Justice sentenced an 18-year-old boy to five years imprisonment with hard labour, or in lieu to pay a KD200 deposit as an undertaking of good conduct to defer undergoing his sentence.

The court was told that the accused slept with a 15-year-old girl with her consent. Both the boy and girl informed the court that they were willing to get married.

But, the court taking into consideration their tender ages, rejected their decision as the law considers their ages premature for marriage.

In another incident of sexual misconduct, the Court of Assize passed a not guilty verdict on Ahmad and Husain who were accused of abducting Yusuf by force with the intention of sexually assaulting him.

Initially, both Ahmad and Husain had been sentenced to 10 years imprisonment, but appealed the judgement.

In the course of the appeal hearing, the presiding judge found contradictions in Yusuf's statements and reversed the original judgement.

Illicit liquor

PERSONNEL of the Criminal Investigation Department in Jahra Governorate arrested two Indian nationals on charges of distilling and trading in alcohol.

A raid on their residence revealed equipment for distilling, a quantity of brew and other paraphernalia.

Western programmes inflame youth: official

A 1985 survey of Kuwait's television programmes indicates that the local programme "Security & Citizens" is best suited to students at secondary schools, according to a senior information official.

Abdul Aziz Jaafar, undersecretary at the Ministry of Information speaking at a seminar organised at the Faculty of Education at Kuwait University, said that 54.7 per cent of the students questioned in the survey preferred religious programmes.

Meanwhile, Dr Adel Al Falah of the Islamic International Charity Authority deplored the increase in delinquency and the increase in juvenile narcotic patients, with alcohol and moral problems following in that order.

The official said that the media should play an active role in educating youth on the dangers of imbibing scenes from television which depict violence, sex, drugs, and the use of weapons by criminals against law-abiding citizens and the police.

Falah pointed out that television programmes which focus on many aspects of decadence in the West tend to inflame the imagination of youth. He called for strengthening the role of the family in protecting children from these effects by increasing religious and educational awareness.

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ARAB TIMES

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LOOK back and smile at perils past — *Sir Walter Scott, Scottish writer (1771-1832).*

Demonstrating capability

A sharp Lance

By Rolf Soderlind

HERZOGENAURACH, West Germany, (Reuter): The enemy has just crossed the border, and a soldier hits the firing button for a Lance missile pointed to the sky from its launcher in a muddy field in the West German state of Bavaria.

The simulated firing was part of an exercise this month involving the short-range missile in its non-nuclear use to break up an armoured assault.

A Lance may carry either a conventional or nuclear warhead and the weapon in its nuclear role is at the centre of a dispute in NATO, which will discuss modernisation of the Lance at a May 29-30 summit in Brussels.

The exercise involved simulated firing from close to the border with East Germany.

Because of their limited range, Lance missiles would primarily explode in either of the two Germanys, which provide the central front for any East-West conflict in Europe.

The West German government, with 900,000 of its own and allied soldiers based on its territory, has become increasingly wary of the concentration of armaments in the country at a time of East-West detente.

Pressured by a public opinion increasingly hostile to anything military, Bonn has urged the North Atlantic Treaty alliance to draw up a mandate for East-West talks on reducing battlefield nuclear forces, in which NATO says the Soviet Union holds a 10-1 advantage.

The United States and Britain insist that the summit make some sort of commitment to a follow-on to Lance to make sure that the US Congress passes $33 million in development funds in the 1990 budget this autumn.

Chancellor Helmut Kohl, trying to defuse the missile issue at home, wants to put off a commitment until after 1990 West German election. Most of Western Europe's 88 Lance launchers are based in West Germany.

Whatever happens to modernisation, to maintain a credible deterrence NATO says it must keep the old Lance sharp until it is taken out of service. This is why US soldiers trudged back and fourth in a field in Bavaria on an exercise.

The three firing batteries of the Lance battalion of the 210th field artillery brigade near Herzogenaurach, just north of Nuremberg, were lined up a few hundred metres apart just outside Herzo base.

Operational

No enemy tanks were rumbling into West Germany from across the border, but the mud and rain were real. Members of an 11-man platoon serving one launcher cursed and sweated. Their superiors were happy that bad weather provided an extra challenge.

The battalion is to fly to Crete on April 1 for the annual live-firing of a Lance missile into the Mediterranean.

"We maintain the equipment very well and it is fully operational, but the technology is just outdated," said Colonel Edwin Vernon, base commander. "If you had a 25-year-old car you probably wouldn't keep it any longer, right?"

The 6.14 metre (20 foot) Lance is a ballistic missile with a range of 110 km (70 miles). Development began in 1962, production started eight years later and the missile came to Europe in the mid-1970s.

NATO planners say the Lance should be replaced by 1995 and the idea is to extend the range of its successor to just under the 500-km (300-mile) lower limit in the 1987 superpower agreement to scrap medium-range nuclear missiles.

Deployment of a 450-km (270-mile) range missile, which defence analysts say would be a more efficient deterrent than Lance, would be traded for a thinning out of vulnerable use-or-lose nuclear artillery rounds in West Germany.

In keeping with NATO policy, Vernon could not divulge if nuclear arms were actually kept at Herzo base, saying only: "The capability is there."

US nuclear missile installation in Western Europe have been frequent targets for protests by peace groups, mostly in Britain and West Germany.

"I don't think there is any problem whatsoever with having the Lance missile system here," said Vernon, who meets city officials four times a year to sort out possible disputes.

Deputy Mayor Rudi Welker said the town was busy preparing for the annual German-American Week, which opens at the city hall on the mediaeval market place on May 2. The festivities include a parade and soccer matches.

Asked if there had even been anti-nuclear protests in this town, Welker had to dig deep into his memory: "I think the peace movement had a demonstration here about five years ago."

Press review

A necessary meeting

KUWAIT, (KUNA): A local daily newspaper commented on the tripartite summit held in Ismailia grouping King Hussein of Jordan, Egyptian President Hosni Mubarak and PLO chairman Yasser Arafat.

Al Rai Al Aam newspaper said in an editorial that current circumstances necessitated the holding of the tripartite summit in order to prevent escalation of differences on issues that should not be differed on among Arab states.

Israel's bet has been and is still on the continuation of Arab differences for another decade during which it could consolidate its theory that there are no eligible Palestinian negotiators.

The paper asserted that the Palestinian uprising which broke out in December 1987 has exposed the Israeli lies about its will for a settlement and peace and about its alleged "civilisation and democracy."

The paper concluded by hoping that the tripartite summit would emphasise the Arabs' ability to take resolutions and present clear political programmes.

TODAY IN HISTORY

1703 — Russia's Czar Peter the Great founds city of St. Petersburg.
1713 — Spain agrees at Utrecht to cede Gibraltar and Minorca to Britain.
1802 — Peace of Amiens between Britain and France, which achieves complete pacification of Europe.
1854 — France declares war on Russia.
1865 — Independent British colony of Kaffaria is incorporated with cape Colony in South Africa.
1878 — Britain, fearing further Russian aggression, calls out reserve and sends Indian troops to Malta.
1933 — Japan announces it will leave League of Nations.
1941 — Yugoslavia's Prince Paul is deposed in coup following pact with Germany's Adolf Hitler.
1955 — State of emergency is declared in Pakistan.
1960 — Iraqi Premier General Kassem founds Palestine Army.
1964 — United Nations peace force under Indian General Gyani takes over in Cyprus; Earthquake in Alaska kills more than 100 people.
1968 — Yuri Gagarin, Soviet cosmonaut who flew world's first manned space mission, is killed in crash of training plane.
1970 — Severe earthquake strikes western Turkey, killing at least 1,087 and leaving 90,000 homeless.
1976 — South Africa withdraws its military forces from Angola.
1988 — Israeli troops fatally shoot three Palestinian protesters in pre-dawn raid on village in occupied West Bank.

Refugees languishing in camps

Hope for an end to a long ordeal

A Vietnamese refugee boy in Hong Kong looks from behind the fence of a police truck door locked by a handcuff.

By Claude Regin

GENEVA, (Reuter): United Nations officials believe a forthcoming international conference may signal the beginning of the end of a long ordeal for thousands of Vietnamese boat-people awaiting resettlement.

The UN-sponsored meeting here in June, likely to be attended by most member nations, aims to find a place to live for some 150,000 Vietnamese and Laotian refugees languishing in camps in various countries in the region.

The fate of an estimated 320,000 Kampucheans in Thailand will be dealt with separately as part of a global political solution for the region, UN officials say.

In the years that followed the communist takeover of 1975, more than two million left the Indochinese peninsula, the bulk of them from Vietnam.

An estimated 1.2 million were resettled in Western nations, including the United States, France, Canada and Australia, after escaping to neighbouring countries in makeshift boats.

Under an agreement reached in Geneva in 1979, those lucky enough to survive pirate attacks, exposure and starvation were granted automatic refugee status by so-called "first asylum nations" pending resettlement elsewhere.

But in 1987 first asylum countries in South East Asia began to take measures to stem a steadily increasing flow of refugees.

Some shut off their shores, started pushing the boats back onto the high seas and making life difficult in insalubrious camps to discourage new arrivals.

"Declining intake by resettlement nations, saturation in first asylum countries and a sudden upsurge in arrivals caused this hardening of the asylum policies in the region and called for a reassessment of the 1979 assumptions," said Sergio Vieira de Mello, head of the Asia department at the United Nations High Commissioner for Refugees (UNHCR).

The British island colony of Hong Kong, which hosts 25,000 asylum seekers in a dozen camps, introduced a tough screening policy last June.

Only those people who can demonstrate that they were fleeing political persecution now qualify as refugees, the rest being treated as economic migrants and facing deportation.

Members of the Association of South East Asian nations (ASEAN) — which groups Malaysia, Thailand, Brunei, Singapore, Indonesia and the Philippines — followed suit at a meeting in Kuala Lumpur earlier this month.

They decided that from March 14 Vietnamese asylum seekers would not automatically be eligible for resettlement in third countries although their status would be determined after the introduction of screening procedures.

Arrangements for these procedures would be worked out in Geneva. "But what is important is that ASEAN nations pledged not to push new arrivals back at sea and instead let them reach their shores for temporary asylum," Vieira de Mello said.

At the same time, resettlement countries pledged in Kuala Lumpur to absorb those who would in future be allowed in after screening.

"They agreed to make a special effort and to take in the present population of camps disseminated throughout the region, including those whose applications had previously been turned down," the UNHCR official, who attended the Kuala Lumpur meeting said.

As for those "screened out", the UNHCR would strive to promote voluntary returns to Vietnam which agreed late last year not to take sanctions against people who left the country illegally.

Vieira de Mello said he hoped that the pioneering return of 75 Vietnamese to Hanoi earlier this month would encourage more to choose that solution. "It started with a trickle but as in Central America where no-one thought it would work thousands have returned home," he added.

At the same time, Vietnam is stepping up its Orderly Departure Programme (ODP) enabling a greater number of would-be emigrants to leave legally.

"The Vietnamese media have already launched a campaign highlighting the dangers of illegal departure and stressing the fact that there is a legal alternative," Vieira de Mello said.

Almost 13,000 left under the ODP programme in 1987 and 22,000 in 1988. He said the figure for 1989 may be double that of last year.

Three foreign airlines have agreed to supplement Air Vietnam's limited capacities.

Vietnam has made it clear it will take back only those volunteering to return and will not accept forced repatriation. And Vieira de Mello stressed that no consideration was given to the forcible return of the Vietnamese at the Kuala Lumpur meeting. "Our hope is that with time ... voluntary repatriation will become a viable alternative for those who have no realistic resettlement expectations in industrialised nations," Vieira de Mello said.

Murder of Indira again a big issue

By Moses Manoharan

NEW DELHI, (Reuter): More than four years after his mother's assassination, Prime Minister Rajiv Gandhi this week makes public a secret government report to try to lay to rest ugly rumours linking a senior aide to the crime.

Unless Rajiv succeeds in dispelling fears of a conspiracy behind the murder of Indira Gandhi, the assassination could become for the second time a major issue in an Indian general election, a senior leader of the ruling Congress (I)) Party said.

Rajiv faces elections later this year drained of much of the sympathy and goodwill he won as the bereaved son of Indira Gandhi in the 1984 polls.

"The sympathy wave helped him sweep the 1984 general elections. But Indira Gandhi's assassination can work against him this time if people feel a close associate was involved," said the Congress leader who declined to be named.

Dhawan

At the centre of the controversy is Rajinder Kumar Dhawan, suggested by Justice Manharlal Thakkar in his report into the crime as a possible suspect in a conspiracy behind Indira's murder on Oct 31, 1984, intelligence sources said.

Thakkar was reported to have said that "a needle of suspicion" pointed to Dhawan, Indira Gandhi's indispensable lieutenant for the most of the 16 years she ruled India. He was sacked when her son came to power and recalled two months ago.

The judge's suspicions appeared to be based on circumstantial evidence, including a telephone call Dhawan made from a hospital where Indira lay dead to enquire about the fate of her two Sikh assassins, Beant Singh and Satwant Singh.

Beant Singh was shot dead by other bodyguards shortly after the murder. Satwant Singh was hanged in January along with Kehar Singh, convicted of conspiracy.

Dhawan was cleared by a Special Investigation Team (SIT) before his re-instatement to a post where he is believed to be exercising his reputed skills as a political maestro.

"It is this skill that the opposition fears and is probably one reason that led them to leak the report to the press. It could force Dhawan out of government and has definitely embarrassed Rajiv Gandhi," said political analyst Rajni Kothari.

Afraid

Kothari, of the Independent Centre for the Study of Developing Societies, said the report, which will be presented to Parliament today, could have been leaked by other Rajiv aides afraid of losing power with Dhawan's re-entry into government.

The anti-government Indian Express newspaper triggered the controversy by publishing two weeks ago what it called excerpts of the Thakkar commission report. Officials say it was leaked by Arun Nehru, a relative of Rajiv and security minister before defecting to the opposition.

The newspaper and the opposition in Parliament accused Rajiv of hiding the truth behind the murder.

Rajiv caved in on March 1 with an appeal to the sympathy of his countrymen: "I have relieved the terrible trauma of that time. She was my mother, I am her son," he said.

His appeal followed opinion polls showing his popularity declining after election reverses in several states, continuing Sikh separatist violence in Punjab and growing dissent within the ruling Congress Party.

A partial success, also a partial failure

Camp David treaty was signed a decade ago

By Barry Schweid

WASHINGTON, (AP): The Middle East landscape is vastly and dramatically changed since Israel and Egypt signed their historic peace treaty a decade ago. But despite the changes supporters of the pact are frustrated with the lack of progress in Arab-Israeli peace since then.

Four key American players at the time and a former special US mediator all agree that the treaty has served the cause of peace in the troubled Middle East.

"It changed the map of the Middle East and, to a degree, its political climate," says Cyrus Vance, who was US secretary of state when Egypt and Israel decided to turn from war to peace.

"It established a precedent and provided a foundation on which one can still build," says Zbigniew Brzezinski, who was former President Jimmy Carter's national security adviser.

"The good news is the treaty has lasted," says William Quandt, who was the national security council's Mideast specialist.

"It's a framework that has really held up," says Harold Sannders, who headed the Near East bureau at the State Department.

"The dramatic fact is not a single Israeli or Egyptian soldier has been killed on that border since the treaty went into effect," says Sol Linowitz, who served as Carter's special emissary to the Middle East.

But all five, interviewed separately for the 10th anniversary of the treaty, registered impatience and disappointment with what they consider to be a lack of accomplishment in the years since.

They hope President George Bush and Secretary of State James Baker will recapture the spirit and drive of the Camp David accords that preceded the treaty and apply them to Israel and the Palestinian Arabs, thousands of whom are in rebellion against Israeli occupation of the West Bank and Gaza Strip.

For 11 exhausting days in 1978, Carter shuttled between the cabins of the late Egyptian President Anwar Sadat and the then Israeli Prime Minister Menachem Begin at the US presidential retreat at Camp David, Maryland, and cajoled them into a peace accord that took the largest and most powerful Arab country out of the conflict with Israel.

The treaty also required Israel to return all territory captured in the 1967 Mideast war to Egypt.

Carter also had to go to the Middle East to keep Sadat and Begin from flying apart again.

It was a high-wire act, but it worked.

Israel would like a warmer relationship with Egypt — more trade, tourism and the other trappings of friendship. Egypt would like Israel to give up the rest of the land the Arabs lost in 1967. But the two countries are at peace.

Vance, who negotiated several of the key provisions of the treaty with the late Israeli Foreign Minister Moshe Dayan, said from his New York law office: "It's prevented another war between Israel and its neighbours, and it's laid the first stones for a just and enduring peace."

But Vance quickly added: "I think the question we have to ask ourselves now is how can we breath new life into the peace process."

Vance said the time has come for direct talks between Israel and the Palestinians — including the Palestine Liberation Organisation. Israel considers the PLO a terrorist organisation and refuses to negotiate with it.

"I still believe peace is possible," Vance said. "But it's going to take courage and great political will on the part of all involved."

Vance doesn't mean only Arabs and Israelis. He also means the United States.

"I think the United States has a clear and important role to play, and I hope that the United States will put the Middle East question on its agenda," he said. "I have seen some recent signs of this."

Brzezinski, who sometimes disagreed with Vance on other policy issues when they served under Carter, voiced similar views in a separate interview at his Washington office.

He called the treaty "a partial success," but also "a partial failure" and said "the failure is obviously the absence of progress on the West Bank issue."

The Camp David agreement, which established the outline for the peace treaty, called for five years of autonomy for the Palestinians on the Israeli-held West Bank and in Gaza. Afterward, all options were to be open to negotiation.

Brzezinski said the Palestinians have grown stronger since 1979. He said the transitional period should be shortened and it should lead to "some form of statehood."

Party's power monopoly in Algeria to be contested

By Michael Goldsmith

ALGIERS, (AP): Sweeping political and economic reforms have been unleashed in Algeria by the nationwide riots last year in which hundreds died.

Following a constitutional referendum that opened up the system, at least 19 political groups are planning to contest the monopoly of the National Liberation Front in legislative and municipal elections due this fall.

The riots last October — largely directed against the one-party system instituted at the end of French colonial rule — left 176 dead by official count, while government opponents cited figures of 500 or more killed. But the riots brought changes which fundamentally transformed the structure of the state.

The main architect of these changes was President Chadli Benjedid, who was re-elected to a five-year term in December without opposition.

Immediately following his election, Benjedid opened a campaign for a new constitution, which eliminated "socialism" from the basic principles of the Algerian state and paved the way for the introduction of a multi-party system. The constitution was approved on Feb 24 by 73.4 per cent of those voting.

During the current period of transition, the 19 groups — ranging from the Communist Party and Islamic fundamentalists to Western-oriented liberal and social democratic parties — are adopting their statutes and future programmes.

Abderezak Bouhara, executive secretary of the National Liberation Front, said there was no reason why a renewed and re-invigorated party could not confront the democratic opposition of other groups for the defence of what he called Algeria's "socialist achievements."

"The front is perfectly capable of playing the democratic game," he added.

But Ali Belhaj, leader of the Islamic Salvation Front and regarded as one of the unconditional extremists of the Islamic movement, said. "We are for the full and unrestricted application of Islamic sharia law. Our only constitution is the Quran, and the place of women is in the home."

Other political opinions ranged widely. The rally for Culture and Democracy demands that Amazigh — the language of the Kabyle people who have lived in Algeria since before the Arabs arrived — be recognised as a national language of Algeria. The leader of the Social Democrats, Abderrahmane Adjerid, says: "We do not only want to distribute wealth but to create it, notably by encouraging private enterprise."

Some time later this year, an extraordinary congress of the once-dominant party will take account of the changes and adopt a policy for the future. Until then, Benjedid remains the party's president and one of his close allies, Abdelhamid Mehri, its secretary-general.

An anomaly of the current period of transition. The ruling party remains dedicated to socialism and one-party domination.

In fact — rejecting views vigorously expressed by Mehri — the party congress took a position against the new constitution. This reflected the views of the party stalwarts who feared for their entrenched jobs and positions.

But the party was greatly weakened shortly afterward by the simultaneous resignation of all its army members. Many government officials are said to be looking to one of the 19 new parties for their future political allegiance.

"They are waiting only to see which party will have the best chance of winning," one party official commented, speaking on condition of anonymity.

The new constitution requires that any political group which requests official recognition be granted such recognition and be allowed to take part in elections. The only condition is that the party should uphold the constitution itself.

The National Liberation Front's official organ, Revolution Africaine, foresaw a plot to liquidate the party, beginning with the "probability of an abandonment of the party by its president," Benjedid himself.

The chairman of one of the budding new parties said the President will form his own party and take all those loyal to him over into the new formation.

Sources close to the President, speaking on condition of anonymity, said it was "not unlikely" that people loyal to Benjedid would seek to establish a new party. They said the President intends to remain above the political turmoil.

Some sources said the simplest solution to the National Liberation Front problems would be to change its name. But Revolution Africaine commented that there was "a genuine risk of disintegration of the state and a danger for the construction of socialism in the country."

This official party view runs close to an open statement of opposition to Benjedid.

It is not clear whether the President's adroit manoeuvring will enable him to continue in control of the party long enough to take charge of a new, more liberal, political grouping likely to win majority support in the Algerian future.

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BUSINESS & FINANCE

Brady's debt plan to dominate ministers' meeting

WASHINGTON, March 26, (Reuter): Industrial nations have called a halt for now to the spiral in world-wide interest rates, but officials are braced for new, painful increases unless inflationary pressures ease in the weeks ahead.

Dearer money would not only slow and possibly jeopardise economic growth in rich countries but also add billions of dollars to the interest bill of developing countries, blunting the benefit of the new US plan to slash Third World debt.

This nexus of problems will preoccupy the world's finance ministers when they gather here from March 31 to April 4 for the regular spring meeting of the 151-nation International Monetary Fund (IMF) and World Bank.

Talks

Although US Treasury Secretary Nicholas Brady's March 10 debt initiative will dominate the talks, officials recognise that the plan will not count for much if they cannot keep world trade growing and stop interest rates rising.

The 15 biggest debtors alone paid $10 billion more in interest in the past year, according to IMF managing director Michel Camdessus.

"Let us not lose sight of the contribution that industrial country governments could make to the recovery prospects of the indebted countries by progressively dismantling barriers to international trade and by adopting a more balanced mix of anti-inflationary financial policies," he said last week.

The big culprit in the eyes of most economists is the United States, which is likely to come under pressure yet again from its

Michel Camdessus

allies to cut its huge budget deficit.

"The foreign ministers who come to this country are more than interested in what we do about this problem," Brady says. "I tell them, we're going to get there one way or another."

The red ink in the government's accounts, expected to rise to $163 billion this year, is a root cause of inflation because it soaks up scarce resources and domestic savings at a time when the economy is running close to full capacity.

This means not only that the nation must import vast amounts of capital every year — the mirror image of the trade deficit — but also that the Federal Reserve has had to raise interest rates steadily to let some steam out of the economy.

Rates

With some tentative signs emerging that US growth is finally slowing, the central bank's chairman, Alan Greenspan, has indicated that he would not push rates any higher for now.

West Germany's central bank also signalled a pause in its credit tightening recently by lowering a key interest rate.

"Whatever was exercising the Germans a few months ago has stopped. They don't seem too concerned at the moment," a senior US official said.

But central bankers, while crossing their fingers that the worst is over, are not declaring victory over inflation yet.

"Governments and central banks stand ready to respond promptly if further policy action turns out to be required," Bank of England Governor Robin Leigh-Pemberton said last week.

Some economists say the threat of US inflation to the world economy is so severe that industrial nations should let the dollar rise. A higher dollar would make US imports cheaper and dampen growth by hurting American exporters.

"Having a higher dollar for a temporary period is preferable to ending up with higher interest rates later on," said Jim O'Neill, an economist with Swiss Bank Corp. in London.

But the senior US official said he had not detected any support within the Group of Seven industrial nations — the United States, Japan, West Germany, Britain, France, Italy and Canada — for a change in the G-7's exchange-rate arrangements.

"I'd be surprised if it was a big subject" at the meetings, he said. His comments implied that central banks will continue to sell dollars if necessary to prevent the dollar from rising beyond 1.90 West German marks.

The G-7 has become remarkably adept in its currency-market intervention and adjustment of interest rates to keep exchange rates within fairly narrow bounds. Friday's dollar rate of 1.8730 marks was virtually the same as it was in September.

There is little enthusiasm overseas for a stronger dollar, which would spell higher import prices for Japan, Britain, West Germany and other countries striving to curb inflation.

"It's in our common interest that exchange rates remain in a range that all sides can live with," a European economic official based in Washington said.

Robert Solomon, a former Fed official who is now at the Brookings Institution, a Washington think tank, said it would be "nutty and perverse" to let the dollar go up given the big US trade deficit, which was $120 billion in 1988. "In the long term the dollar has to go the other way," he said.

David Hale of Kemper Financial Services Inc. agreed and said financial markets and policymakers will conclude by summer that another 5 to 10 per cent dollar decline is needed.

American and West German officials concede privately that a lower dollar may well be needed at some point.

Iraq and Saudi Arabia stick to OPEC quotas

Meeting to review oil market

BAGHDAD, March 26, (Agencies): Iraq and Saudi Arabia today reaffirmed their commitment to the oil prices and production quotas agreed by the Organisation of Petroleum Exporting Countries (OPEC).

Oil ministers of the two countries expressed their support for OPEC's policies when they met here on the sideline of summit talks between visiting King Fahd Bin Abdul Aziz of Saudi Arabia and Iraqi President Saddam Hussein, the national Iraqi News Agency reported.

The Saudi Oil Minister Hisham Al Nazer and his Iraqi counterpart Issam Abdul Rahim expressed satisfaction with the stability of the oil market and the recent rise of the commodity's prices.

Saudi Arabia and Iraq are key OPEC oil exporters.

The two ministers also discussed topics that will be raised in a meeting for an OPEC strategy and price monitoring committee in Vienna next Wednesday, the agency added.

Separately, Iraqi Information Minister Latif Nesayef Jassem and his Saudi counterpart Ali Al Shaer discussed co-operation between the two sides in media and information areas, the Iraqi News Agency reported.

The Saudi monarch arrived here yesterday accompanied by a high-powered delegation for a two-day visit.

Meanwhile, OPEC Secretary-General Dr Subroto said in Vienna last week that non-OPEC technical experts would meet on May 16 as part of efforts to continue the OPEC/non-OPEC dialogue in order to stabilise the oil market and restore prices.

"If and when" an OPEC/non-OPEC ministerial meeting was to take place, it would be after May 16, he added.

He was speaking at a "Meet the Press" function organised by the UN Correspondents Association at the Vienna International Centre.

He said the March 29, OPEC ministerial monitoring committee meeting in Vienna will review the market situation and ascertain if the OPEC production agreement limiting output for the first half of the year to 18.50 million BPD was working satisfactorily. "This was the mandate given to the eight ministers who constitute the committee," he added.

Subroto said it was apparent that energy consumption was on the increase worldwide, continuously and year by year from 1985-86 onwards right into 1989, adding "this is an important trend to recognise."

Asked about the functions of the monitoring committee, the secretary-general answered that they were threefold: to monitor adherence by member countries to the November 1988 OPEC agreement, to look into the movement of prices to determine if it was upwards, downwards or stagnant, and to begin formulating the organisation's long-term strategy.

Oman to raise domestic interest rate ceilings

BAHRAIN, March 26, (Reuter): Oman announced higher ceilings on domestic interest rates in a move which bankers said aimed to stem capital outflow into higher-yielding dollar deposits.

The Central Bank of Oman said in a circular to banks the maximum interest rate on rial-denominated time deposits would be raised to 9.5 per cent from 8.5 per cent, effective on April 1.

The ceiling on rial loans, advances and overdrafts would be raised to 11.25 per cent from 10.5 per cent.

The circular, seen by Reuters today, said interest rates on loans and deposits made before April 1 would continue at previous levels until they matured.

Government and quasi-government institutions would be exempt from the limits on deposit accounts.

Loans

The ceiling on loans would not apply to credit balances in foreign currencies but banks were required to quote rates which conformed to international money market levels, it added.

Bankers in Oman said the move — which follows similar steps by Bahrain and Kuwait — was overdue because rising dollar interest rates had led to a large outflow of rials from the country, tightening domestic liquidity.

Oman has no restrictions on sending money abroad.

Exodus of illegal Thai workers from Singapore gets underway

SINGAPORE, March 26, (AP): An exodus of thousands of Thais working illegally in Singapore gets underway this week by land, sea and air to beat a March 31 deadline.

Recently amended immigration laws make aliens liable to three months in jail and three strokes of the cane for entering Singapore illegally or overstaying more than 90 days. Thai and Singapore officials agreed last week on an "amnesty" until March 31 for repatriation.

Second Secretary Biravij Suwanpradhes said that to ensure Thais do not attempt to return illegally, news of the new law would be circulated in various parts of Thailand.

Two special trains, Thai Air Force C-130 transports and Thai Navy ships will help repatriate the workers, Thai embassy officials said today.

About 2,000 have been sent home in recent days and thousands of others thronged the embassy to have travel documents processed. Thai students studying in Singapore were helping embassy staffers with the paper work, Biravij said.

Thai officials were uncertain how many workers remained in hiding, either with expired work permits or fake documents. Construction industry sources estimated that as many as 10,000 might surface after Tuesday, the industry's traditional monthly payday.

Unofficial estimates put the number of Thais working illegally in Singapore, mostly as labourers on building projects, at more than 20,000.

Labour is in short supply, particularly in construction, ship repair and heavy industry, jobs shunned by affluent Singaporeans who enjoy the highest standard of living in Asia after the Japanese.

Illegal workers toil at menial jobs for 10 to 20 Singapore dollars ($5.18 to 10.36 US dollars) a day. Locals would demand three times as much.

Bolstered by strong overseas demand and foreign investment, the economy bounced back from recession four years ago. But a limited labour pool in this city-state of 2.6 million people is regarded as a threat to continued growth.

South Korean trade minister to visit US

SEOUL, South Korea, March 26, (AP): South Korean Trade and Industry Minister Han Sung-Soo will visit Washington next month for talks with US officials, the ministry said yesterday.

Officials said Han plans to leave around April 15 for a two-week stay to meet with US Commerce Secretary Robert Mosbacher, US Trade Representative Carla Hills and other officials.

South Korea is trying to avoid being penalised by the United States for alleged unfair trade practices.

The United States has been pressuring Korea to open wider its market to US products and services. The United States posted a trade deficit of $8.6 billion with Korea last year, according to Korean statistics. The United States is South Korea's biggest market.

King Hussein meets Al Khorafi

AMF targets trade, streamlines rates

AMMAN, March 26, (Agencies): The Arab Monetary Fund (AMF) has announced new money for trade financing and changes in interest rates to boost flagging Arab economic prospects, delegates to an Arab financial conference said today.

They said the AMF pledged to set up a pool of $500 million to spur inter-Arab trade. The Arab [illegible] add $100 million to the fund and [illegible] the Arab Banking Organisation 25 million.

AMF head Abdullah Al Quwaiz, speaking in Jordan at a meeting of fund chiefs and central bankers of the 21-nation Arab League, also asked for money from governments and commercial banks to set up a new investment pool, delegates said.

Quwaiz told the two-day closed conference that the AMF had cancelled a rule that members could not draw on its funds before gaining help from the International Monetary Fund, on which the AMF is based.

Structure

He said the Abu Dhabi-based AMF had streamlined its interest rate structure to two rates from nine — 4.15 per cent on concessional loans and 5.75 per cent for all other loans. The changes would help indebted Arab states, he said.

Quwaiz, who said yesterday he would retire in August, said Arab financial markets needed urgent development so that they could use private Arab capital efficiently.

The AMF and the AFESD, the Arab world's two major monetary funds, said increasing debt, reduced oil incomes, and a growing gap between Arab productivity and population growth were undermining any positive achievements, the delegates said.

"Our funds will have a big role in the future to solve these problems," said Abdul Latif Al Hamad, chief of the AFESD.

Jassem Al Khorafi

"Although the world is witnessing good economic activity, the Arab world is not — due to debts, bad administration, and lack of resources," he added. "I do not foresee any improvement."

Crown Prince Hassan of Jordan told the meeting inter-Arab trade had stuck at a low seven per cent of total Arab trade.

Hamad noted that Arab oil revenues dropped from $212 billion in 1980 to 68 billion last year and that poorer Arab nations had only kept up with the oil-financed construction boom of the 1970s by building up an $80-billion debt.

As per capita production fell, per capita consumption rose. The Arab world, with four per cent of global population, accounts for 13 per cent of world food imports and 20 per cent of grain imports, he said.

On Saturday, the first day of the conference, delegates agreed to set up a working committee to map out Arab strategy on dealing with the challenge posed by a European Economic Community internal market due in 1992.

The committee will include the AMF, the permanent economic office of the Arab League, and the central banks of Saudi Arabia, Iraq and Tunisia — one nation from each of the three major Arab economic blocs.

Arab economic officials fear their large trade and financial interests in Europe could be harmed by a monolithic EEC market.

Fears include continued EEC tariffs on Arab products, control of the large Arab immigrant labour force, and blocks to Arab investment and banking.

Jordanian monarch King Hussein today met here with Al Khorafi and heads of Arab delegations participating in the Arab economic funds' annual meetings.

The audience, attended by Jordanian Crown Prince Hassan and Premier Zaid Al Refai, reviewed situation of Arab finance corporations and the Arab League organisations and their role in enhancing joint Arab economic work.

Khorafi left for Kuwait after participating in the meetings of the Arab economic funds and the Arab League ministerial conference.

Oil seminar likely to help OAPEC map out strategy

By Jadranka Porter
Arab Times staff

TOP oil experts gather in Kuwait tomorrow at a seminar which is expected to help OAPEC members map out their oil refining plans for the 1990s.

Arab refined products exporters will be urged to adapt their production to a lower demand for fuel oil in Western markets, said Dr Abdullah Tikriti of OAPEC, the seminar organisers.

This means the OAPEC members should in the next decade cut down the production of fuel oil in favour of more desirable middle distillates such as gasoline, jet fuel and gas oil, he said.

The demand for fuel oil, used by power plants and heavy industry, is declining in the West because it causes pollution and because gas, which is increasingly replacing fuel oil, is cleaner to handle.

The three-day seminar will bring together close to 100 experts from the US, Britain, France, Belgium, Italy and the Arab world as well as from OPEC and UNIDO (United Nations Industrial Development Organisation). They will discuss modern production methods and marketing of the refined products.

Plan to open trade office

RIYADH, March 26, (Reuter): A Chinese delegation has arrived in Saudi Arabia to open Beijing's first trade office in the kingdom, the English-language Riyadh daily said today.

Saudi Arabia has no diplomatic ties with China but it has bought Chinese CSS-2 missiles and diplomats say relations have warmed in recent years.

Foreign Minister Prince Saud Al Faisal said last week Riyadh had approved in principle the opening of a Chinese trade office.

Prince Bandar Bin Sultan, Riyadh's ambassador in Washington, visited China last year.

Budget aims to accelerate growth

Burma unveils economic plan

RANGOON, March 26, (UPI): Burma's military government announced yesterday a new budget and economic plan, including tax reforms, aimed to accelerate growth and overcome the economic crisis due to last year's disturbances.

At the same time government spokesman, retired Maj. Gen. Kyan Sann said Burma's security situation has improved and rejected a report broadcast on Wednesday by the US Voice of America radio that said security "was fragile" in this country.

Student demonstrations in March 1988 turned into riots when security forces intervened under the direction of Brig. Gen. Sein Lwin, and reports said more than 100 people were killed. The government later acknowledged 41 suspects died in police custody.

On July 26, 1988, Lwin, 68, was named by parliament to replace the authoritarian Ne Win as President and head of the Burma Socialist Programme Party, the only legal party, but he resigned Aug 12 following four days of anti-government riots that killed an estimated 1,000 people.

Attorney General Maung Maung, one of two civilian cabinet ministers, was named President and head of the ruling party on Aug 19. Ne Win, 77, who retired, had ruled for 26 years.

Finance and Planning Minister Col. David Abel unveiled the 1989-90 budget and economic plan, saying these have been so drawn up as to be in line with the governments new open door economic policy.

Addressing the weekly Defence Ministry press briefing, Abel said the government has projected a gross domestic product of 54,958 million kyats ($587 million) for the fiscal year 1989-90, beginning April 1, at constant 1985-86 prices, and a 3.4 per cent GDP growth over the past year.

Official figures show GDP growth rates in 1986-87 and 1987-88 were 1.0 and 2.2 per cent respectively.

Board reviews projects finance

APICORP assets total $910m

THE General Assembly of Arab Petroleum Investments Corporation (APICORP), an affiliate of the Organisation of Arab Petroleum Exporting Countries (OAPEC), concluded its thirteenth ordinary meeting which was held at the corporation's head office in Al-Khobar, Saudi Arabia, on Wednesday. The meeting was attended by representatives of the governments of Saudi Arabia, the United Arab Emirates, Bahrain, Algeria, Iraq, Qatar, Kuwait, the Libyan Jamahiria and Egypt.

Jamal Hassan Jawa, chairman of the board of directors and Saudi Arabia's representative, stated that the General Assembly endorsed the thirteenth annual report of the board and the balance sheet for the fiscal year ending December 31, 1988.

The balance sheet and the statement of income and appropriations for the financial year ending December 31, 1988 showed that total assets amounted to $910 million. Despite the recession that prevailed over the markets for new loans and equity participation in Arab petroleum and petrochemical projects, APICORP's loan balances totalled $353 million, undrawn loan facilities totalled $53 million, while equity participations in petroleum projects amounted to $78 million.

Income

Shareholders' funds — before appropriations of dividends — was $623 million, while net operating income totalled $23 million and a provision of about $7 million was set aside for risk assets.

The president went on to say that the General Assembly approved the recommendation of the board of directors to maintain the distribution of $20 million to the shareholders for 1988, the same as in previous years. It is worth mentioning that by the end of 1988 total reserves and retained earnings, totalled the sum of $203 million, representing 51 per cent of the paid-up capital of APICORP.

Jawa also stated that the Board of Directors held its first meeting for 1989. It considered matters on the agenda, including both financial and investment activities, together with the progress reports of joint Arab petroleum projects, including the Arab Detergent Chemical Company (ARADET), Iraq, and Turkish-Arab Fertilizer Company (TAGAS).

The board also reviewed reports on projects finance, which the corporation arranged together with a number of Arab and international banks.

Debt strategy threatened by differences

Action vital to reverse capital flight

PARIS, March 26, (Reuter): Sharp differences among Western creditors and Third World debtors over a new strategy to ease the $1.3 trillion debt burden are threatening prospects for a rapid relief from payments sought by borrowers.

Following a week of active debate on new debt initiatives at the Inter-American Development Bank (IADB) annual meeting in Amsterdam, and at a symposium for Latin American financial officials organised by the French government here, a solution to the debt crisis seems as elusive as ever.

The United States, France, Japan and Latin American states have all made different debt reduction proposals in the past six months and some of the issues, notably the transfer of risk to the public sector and the level of economic conditions imposed on debtors, are contentious.

Proposal

"We want a realistic and concrete proposal, and there just isn't enough co-ordination and coherence among the participants," Finance Minister Mailson Nobrega of Brazil, one of the world's largest debtors, said during the symposium here on Thursday.

For Latin America, $401 billion in debt and facing destabilising social pressures, the need is most urgent.

Western creditors want action to reverse capital flight and viable debt-equity programmes but Third World debtors say capital will only return once the debt is cut and that swaps have a negative monetary impact.

The extent to which governments will relax regulatory and tax curbs on commercial banks taking part in debt reduction has yet to be spelled out.

Despite the differences, US Treasury undersecretary designate David Mulford said in Amsterdam that Washington seeks consultation and is hoping for consensus at next month's International Monetary Fund (IMF) interim committee meeting.

US Treasury Secretary Nicholas Brady unveiled a new debt initiative on March 10. Washington said the 151-nation IMF and World Bank would back debt reduction from existing resources that bankers say could be around $8-12 billion.

Allocation

US officials see 20 per cent of the debt reduced within three years, as well as new loans from commercial banks which have cut lending to about $8 billion a year from 52 billion in 1981.

France, supported by Latin America, has gone the furthest by proposing a new issue of 15-18 billion Special Drawing Rights (SDRs), of which 64 per cent would go to a new agency to guarantee debt reduction. Only commercial banks granting a significant discount would qualify for the guarantees.

French officials estimate a 9.6 billion SDR allocation to the guarantee fund could be financially geared to achieve debt reduction of 110 billion SDRs, assuming interest rates of 10 per cent and a 30 per cent discount.

Japan, which has backed the US scheme, previously launched its own plan of providing export-import bank co-financing with the IMF, plus a guarantee on interest payments but without a discount.

Latin American proposals basically reinforce the French plan.

France's Finance Minister Pierre Beregovoy, who chaired the discussions here, told a press conference afterwards that a consensus must be reached quickly on the issues.

"It's a question of world solidarity. Resolving the Third World debt will help industrial countries through increased trade," he told a news conference on Thursday.

Latin American officials said that though US Treasury Secretary Brady took a big step forward in sanctioning debt reduction, it is not ambitious enough.

"The danger is that, although the Brady initiative deserves more support than it is getting, it is a 'drop-by-drop' approach which won't meet the increasingly urgent needs of the debtors," one senior Mexican official told Reuters.

MARKETING MANAGER
HOME APPLIANCES

THE COMPANY
We are a major U.S.A. manufacturer of domestic home appliances with distributors and licencees in more than 60 countries throughout the world. We have a regional office in Bahrain that covers more than 12 countries in the Middle East, with the majority of the activity being in the Arabic speaking countries.

THE POSITION
We require a Bahrain-based Marketing Manager, reporting to the Regional Manager, to establish, develop and maintain sales, and increase our market share in the territory. This will incur living in Bahrain and being prepared for frequent travel in the area.

THE CANDIDATE
Would be expected to have a thorough knowledge of the area, and methods of doing business in the Middle East. Fluent Arabic and English-speaking college graduates with experience in the white goods sector will be considered but personality and self-motivation are equally important.

THE REWARDS
We offer a renewable contract, competitive salary and benefits that would be expected from a major international company.

APPLY
By forwarding a photograph, C.V. and handwritten application to DOMICOR, P.O. BOX 30429, BAHRAIN.

DOMICOR, INC.

ACC to promote economic and social ties

PARIS, March 26, (KUNA): The latest grouping in the Middle East, the Arab Co-operation Council, is still digging the grounds of future co-ordination between the four founding members and is not yet ready to receive newcomers, diplomatic sources said here on Friday.

The Arab Co-operation Council (ACC) was created in Baghdad last February 16 by Iraq, Egypt, Jordan and North Yemen to become an economic grouping between these countries which have complementary economic elements.

The Arab diplomatic sources said the four countries are drafting the status of the council, and discussions are under way to decide the venue of the general secretariat, although all indications are pointing to Amman.

Co-operation

The ACC is a formidable economic power of $92 billion GNP last year, boasting a population of 100 million, or half of that of the entire Arab world.

The new union will initially promote economic and social co-operation among the four, codifying de factor agreements which functioned throughout the Iraq-Iran war.

Further down the line, it will eliminate tariffs to allow the free flow of goods among all members of the council, and lead to agreements covering joint industrial production, agricultural projects, and "economic integrity and complementarity."

Soon after the inception of the council, the leaders of the four states underlined that the ACC is not an axis directed against anybody, and that it is opened for any Arab state that desires to join in.

But with the Arab Maghreb Union, the Gulf Co-operation Council (GCC) and finally the ACC, the Arab countries which were left without any group affiliation are Syria, South Yemen, Palestine, Lebanon, Somalia, Djibouti and Sudan.

In a geographical and economic sense, Syria and South Yemen are the likely candidates to join the ACC.

The Arab sources maintained that South Yemen is eager to become a member of the council, especially that the northern sector is a full member and Aden will shortly join the world of oil producing nations.

The sources said that South Yemen has already expressed its intentions to the northern sector of joining the ACC, but at the same time it has to wait until the conclusion of the status before officially applying for membership.

Relations

And to start with, the source said South Yemen enjoys prosperous relations with all four members of the ACC on all levels.

But Syria, on the other hand, is likely to remain independent of the new Arab groupings until it normalises relations with its "brother-enemy", Iraq.

In a press conference here on Tuesday Syrian Foreign Minister, Farouq Al Sharaa said that his country is not isolated by the ACC, but instead it now enjoys a "distinguished" role in the midst of these groupings.

In an implicit criticism to the ACC leaders, the Syrian foreign minister said that his country knew about the creation of the ACC only through the press.

He pointed out that relations with Egypt "are not in tension" and that his country perceives the relations with Cairo as essential for the security and the stability of the Middle East.

"We are looking forward to the day when the interests of the two countries will meet again to create the core for defending the Arab world's interests," he maintained.

"Relations with Iraq were not good before the ACC, and they are not any better now," Al Sharaa said briefly on the ties with neighbouring Baghdad.

Interest

But the foreign minister noted that he sensed that the GCC as well as the Arab Maghreb Union have recently expressed interest in developing relations with Syria more than ever before.

KD money market remains subdued

Japan's wholesale prices rise

Kuwait dinar

BASED on last week's opening *middle market FX* rates, the KD exchange rate was slightly firmer against the dollar ending the week at 288.79 fils compared with its week before last closing of 289.74 fils. The KD was slightly easier against the pound sterling ending the week at 498.74 fils compared with its week before last closing of 497.38 fils. The KD was easier against the DM ending the week at 154.86 fils compared with its week before last closing of 154.40 fils. The KD was firmer against the SFR ending the week at 178.73 fils compared with its week before last closing of 179.78 fils, according to Gulf Bank weekly market review.

The KD was slightly firmer against the Jordanian dinar ending the week at 536.78 fils compared with its week before last closing of 537.66 fils. The KD remained unchanged against other GCC countries.

The KD money market was relatively soft over the week with 1-month and 3-months interbank rates trading relatively easier compared to longer dates. This was mainly attributed to excess liquidity due to end of month salaries.

One-month interbank rates traded over the week between 8.13/16 per cent and 9.1/2 per cent compared with the 9.5/16-10.3/8 per cent range the week before last. Rates for longer periods traded within a relatively wide range of 9.3/8-9.9/16 per cent and 9.9/16-9.5/8 per cent for 6 and 12 months respectively.

The CBK announced its new T-Bill issue No. 45 of KD150 million, with effective and maturity dates of March 29 and June 28, 1989 respectively. With the issue the total outstanding debt for T-Bills will be KD1.000 milion.

The next maturing T-Bond No. 8 is set for March 30, 1989. The bond holds a face value of KD79.5 million, issued back on March 30, 1988 holding a coupon rate of 5.25 per cent. With this redemption on the total outstanding debt for T-Bonds would be KD465 million down from KD544.5 million.

World stock markets

After moving higher earlier in the week on news of a 0.4 per cent increase in February consumer prices, Wall Street stock prices eased later, to end the week lower due to weakness in the airline group and technology issues. Concern that the Fed has kept monetary policy too tight for too long has shifted the market's attention away from inflation worries to recession fears.

The Dow Jones industrial average opened the week at 2262 and closed lower at 2,243, recording a loss of 49 points over the previous week's closing of 2292.

Share prices on the London Stock Exchange fluctuated last week, moving higher after Wall Street's favourable response to the US consumer data.

The brewing sector was weak on uncertainty after the release of the UK Monopolies and Mergers Commission report, which ruled that the British beer industry operated against the public interest. The FTSE-100 opened the week at 2,053 and closed higher at 2,055 but recorded a loss of 14 points over the previous week's closing of 2,069.

US dollar

The dollar traded narrowly mixed in this trading in the early part of the week while in the latter part it dropped sharply on the unexpected fall in the US February durable goods orders coupled with other released US data all of which have shown a positive sign that the US economy is possibly slowing from its inflationary pace.

Durable goods for February fell 3.6 per cent its second consecutive drop and the largest decline since July 1988, when durable goods declined 7.4 per cent. The February decline was below expectations of a 1 per cent increase while consumer prices index, the most widely used measure of inflation has also slowed in February advancing to a moderate 0.4 per cent after a January sharp rise of 0.6 per cent. And so far this year consumer prices have risen at an annual rate of 6.1 per cent. Finally, the average weekly earnings of the US worker fell 0.6 per cent in February compared to a 0.2 per cent rise in January.

GNP for the fourth quarter of 1988 was revised slightly up to 2.4 per cent from 2 per cent, while the GNP for 1988 has risen by 3.9 per cent compared to 1987.

Personal income rose 1 per cent in February compared to 1.8 per cent in January, while the US personal savings rate climbed to its highest level in nearly 3 years to 5.9 per cent in February compared to 5.4 per cent in January.

The US budget deficit in February stood at $27.87 billion compared with a deficit of $24.03 billion in February 1988, while through the first five months of the current 1989 fiscal year, the budget deficit was $92.65 billion. The US administration has forecast a budget deficit of $163.3 billion for FY 1988/89, however, if the monthly budget deficit is to be continued on the same level, the total budget deficit will more likely exceed the figure set by the US administration.

Although the market has not so far reacted to the release of the US budget deficit, the release of other economic data has eased, mounting the speculation of inflationary pressures, which was the major support of a strong US dollar.

The dollar after breaking some resistance levels over the previous weeks has lost part of its gains.

Whether the Fed would continue to tighten its monetary policy or refrain from any further tightening would depend a great deal on the Fed's willingness to maintain its strong grip on monetary policy based on its fear of inflationary pressures, regardless of consequences (mainly recession) or whether it would adopt a more cautious approach to maintain economic expansion. "We are more inclined to believe the Fed would adopt the second choice at least until March employment figures are released."

Japanese yen

The yen opened the week against the dollar at 131.25/30 yen and closed slightly higher at 131.20/30 compared to its week before last closing of 131.70/75. With this the yen is still trading around its 5-month low range.

The Bank of Japan has reported that wholesale prices rose 0.2 per cent in the first 10 days of March from the previous 10 days period, while for all of February it rose 0.3 per cent from a year earlier.

Precious metals

Precious metals prices dipped earlier in the week following news that US February consumer prices rose a smaller than expected 0.4 per cent, which pointed to lower inflation. Gold moved higher in the latter part of the week, tracking down the fluctuating dollar, while silver and platinum moved lower.

Gold bullion prices opened the week at $395.75/396.25 per ounce and closed higher at 395.25/395.75 per ounce, recording a gain of $2.25 over the previous week's closing of $393.50 per ounce.

Silver bullion prices opened the week at $6.16/6.18 per ounce and closed lower at $6.07/6.09 per ounce, recording a loss of 6 cents over the previous week's closing of $6.13/6.15 per ounce.

Platinum prices opened the week at $549/550 per ounce and closed lower at $542/543, recording a loss of $2 over the previous week's closing of $544/545 per ounce.

Nepal envoy in India for talks to settle trade dispute

NEW DELHI, March 26, (Reuter): Nepal's foreign minister arrived in New Delhi today for urgent talks to settle a trade dispute that worsened after India cut off the Himalayan kingdom's vital links to the rest of the world.

The minister, Shailendra Upadhyaya, is expected to discuss prospects of India re-opening 11 transit points it closed on Friday after 10-year-old trade treaties with Nepal expired.

Two other crossing points were left open to allow medicines and other emergency supplies into the landlocked kingdom from India.

Kathmandu started rationing petrol today to cope with the block on supplies from India which provides half Nepal's imports and most essential commodities.

Upadhyaya called for "normalising relations with friendly India" before he left for talks with his Indian counterpart P.V. Narasimha Rao.

Treaty

Nepal, one of the world's 10 poorest countries, has been a leading advocate of an international treaty setting out the rights of landlocked countries, which it believes are easily pressured by nations through which their trade must pass.

Kathmandu passionately opposes India's bid to tie the trade agreement to transit rights for Nepal. It says transit rights should be a permanent right but trade agreements should be reviewed periodically.

"We perfectly understand the feeling of India and it is very fair that these things are raised and we have a new arrangement," Upadhyaya told the Press Trust of India in Kathmandu.

Truce between Bush and Fed seen as temporary

High rates could tip economy into recession

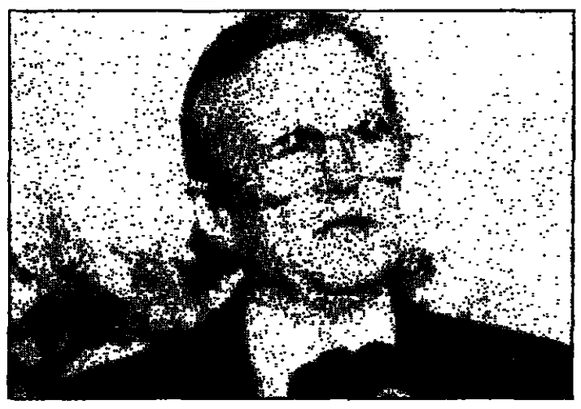
NEW YORK, March 26, (Reuter): Recent signs of slower US economic growth have brought a truce in the row between the Bush administration and the US Federal Reserve over interest rates, but economists say it is likely to be temporary.

The White House, stunned by two consecutive one-percentage-point monthly rises in wholesale prices, has moved closer to the Fed's long-standing view that inflation has become a serious threat.

Economists now put the rate of price increases at around 5.5 per cent a year.

They believe recent data, including an 11.4 per cent drop in the construction of new homes in February and a 0.4 per cent decline in last month's retail sales, have heightened the Fed's anxiety that too high interest rates could tip the economy into recession.

In the past year, the central bank has driven the short-term federal funds rate up more than three percentage points to just under 10 per cent. A month ago it pushed up the discount rate — at which it lends to banks — to seven per cent.



Nicholas Brady

Increases

Although further increases would raise the cost of the government's plan to bail out insolvent savings and loans institutions and deepen the Third World debt crisis, President George Bush has reaffirmed his commitment to fight inflation.

Fed chairman Alan Greenspan's remarks last week that recent tightening had not yet filtered through the economy suggested the bank would take a "wait and see" attitude.

The Federal Open Market Committee, the central bank's policy-making group, meets in Washington on Tuesday and Wednesday for one of its regular reviews, but most economists do not expect it to push for higher rates.

Although the Fed and the White House agree no short-term action is needed unless it is clear the economy is strong enough to take another dose of anti-inflation medicine, most economists predict tensions between them will resurface.

If inflationary pressures persist later in the spring the Fed will have to brush aside the administration's wish for stable interest rates and push them higher, they said.

"I absolutely firmly believe that if we can come to a reasonably fast, solid conclusion on the deficit issue, you will see interest rates go down," Treasury Secretary Nicholas Brady told a Senate panel.

Charles Lieberman at Manufacturers Hanover Trust Co. said the Fed and the White House may co-operate for some time, largely because the economic data will be too cloudy to give either side a compelling argument to alter policy.

"We're going to see growth slow, but inflation won't improve for some time — it's a lagging variable," he said.

KD rates ease in quiet trade as Saudi riyal deposits steady

KUWAIT, March 26, (Reuter): Kuwaiti dinar deposit rates eased today in a quiet trading after having risen yesterday in response to a new treasury bill offering.

Overnight dealt at seven per cent after yesterday quotes of nine eight.

Yesterday, the Central Bank announced it would issue 150 million dinars ($520 million) this Wednesday, the first new offering of treasury bills since the Finance Ministry raised Kuwait's borrowing ceiling earlier this month to three billion dinars ($10.35 billion) from 1.4 billion ($4.8 billion).

Dealers said tomorrow-next fell 1/2 point to 8-1/2 7-1/2, while spot-next was unchanged at nine eight. One-week eased 1/4 point to 9-3/4 8-3/4.

Eased

In the fixed periods, one to three months eased 1/8 point on the bid side to a uniform 9-1/2 1/8. No activity was reported in six months to one year.

As usual during the European weekend, the Central Bank left its dinar to dollar exchange rate unchanged from Saturday at 0.28918/28.

Meanwhile, Saudi riyal interbank deposits remained steady in a typically thin market, with major offshore players absent due to the Easter weekend in Europe.

Spot-next and one-week funds were indicated unchanged at Saturday's levels of 10, 9-1/2 per cent. No deals were reported.

Fixed periods were also quiet, with the one-month put at 10-1/8, 9-5/8 per cent, three-months at 10-7/16, 1/4, six-months at 10-13/16, 5/8 and the one-year at 11-1/8, 10-15/16.

The spot riyal was steady at 3.7505/08 to the dollar.

Venezuela announces price hikes

Plan to boost electric rates

CARACAS, Venezuela, March 26, (AP): Venezuela has announced a 65 per cent increase in electric rates for commercial users and price increases on some food items and medicines, the daily newspaper El Nacional reported today.

The increases, which were published by the government this week, would go into effect next month, the newspaper said.

More than 250 people were killed in rioting that began on Feb 27 sparked by price increases and other austerity measures announced by the government to make Venezuela more attractive to foreign lenders.

Under the price increases announced this week, most industrial users of electricity would receive a 65 per cent initial rate hike followed by 5-to-6 per cent annual increases, while residential users would receive a 30 per cent initial increase, El Nacional reported Energy and Mines Minister Celestino Armas as saying.

Some 460,000 residential users would continue to receive electric power at present subsidised rates, Armas said, according to El Nacional.

Medicine such as penicillin and boric acid would go up by as much as 46 per cent beginning next week, along with increases of as much as 100 per cent in basic foods such as corn flour, El Nacional said.

The newspaper also reported yesterday that Venezuela wants to replace Chase Manhattan with the Bank of Tokyo as a head of an advisory committee of creditor banks negotiating repayment of the South American nation's $33-billion foreign debt.

The advisory committee represents Venezuela's 450 creditor institutions in negotiations on servicing the country's debt, Latin America's fourth largest.

El Nacional reported Finance Minister Eglee Iturbe said Venezuela would seek a restructuring of the creditors' advisory committee because of dissatisfaction with the negotiations.

Venezuela suspended capital payments of its debt in January. Earlier this month, it suspended interest payments until September, saying resumption of payments would depend on the success of the austerity programme.

Parliament rejects price rises for basic goods

NICOSIA, March 26, (Reuter): Iran's parliament rejected price rises for staple goods, approved a special arms spending measure and voted nearly $1 billion for reconstruction in this year's budget, the official news agency IRNA said yesterday.

IRNA, monitored in Nicosia, gave new details of the $140-billion budget approved on March 20, before the Iranian New Year holidays.

It quoted parliamentary Speaker Ali Akbar Hashemi Rafsanjani as rejecting a proposal to cut subsidies for sugar, chicken and eggs, saying: "It isn't right to hand price increases to people across the country as a New Year's gift.

"Today you raise the price of sugar by a dime, tomorrow everything made with sugar, like soft drinks, pharmaceuticals, sweets and various sorts of goods will become more expensive," Rafsanjani said.

Cuts

Deputies voted against the subsidy cuts because of fears about the effect of inflation on the poor, IRNA said.

It gave no figure for defence spending but said a measure was approved which would allow extra spending in case the eight-year war with Iraq erupted again.

Arms spending could be boosted if requested by the acting armed forces commander, a post Rafsanjani now holds, and approved by spiritual leader Ayatollah Khomeini.

The daily Resalat has reported that the budget provided for $5.85 billion to be spent on strengthening the armed forces, just half last year's figure. A ceasefire was declared in the war last August.

IRNA said parliament approved nearly $1 billion for reconstruction in war-damaged regions, about 40 per cent more than the government had requested.

L.D. Cowan, (left), general manager, personnel, TSB England and Wales pictured with Richard K.O. Carey, general manager, Commercial Bank of Kuwait.

Carey opens management development programme

A MANAGEMENT development programme organised by the training centre of the Commercial Bank of Kuwait in association with the Institute of Banking Studies (IBS) was opened at the Institute on Saturday. The six-day programme is comprised of three sessions each to last two days.

Richard K.O. Carey, general manager of Commercial Bank opened the programme. In his opening address Carey pointed out that the banking world is changing very fast and it is crucial for Commercial Bank to keep pace with it. Stressing the significance of strategic planning, Carey also appealed to the participants to keep their minds open so they can comprehend new ideas and information for their own benefit as well as for the bank's.

L.D. Cowan, general manager, personnel, TSB England and Wales who has vast experience in personnel development is conducting the programme.

Earlier U.L. Rao, head of Training Unit, IBS in his introductory remarks welcomed the participants and commended the Commercial Bank's efforts in arming their managers with management skills through a series of programmes which are intended to help the managers understand their capabilities and needs so that they can relate themselves better to their team members and collectively realise the corporate objectives.

The middle management personnel and branch managers of Commercial Bank attended the programme.

KUWAIT

BANK SECTOR	P.CLS	LT	HIGH	LOW	VOL	TRADE
-NATIONAL BANK	0.920	0.920	0.920	0.920	428113	15
-GULF BANK	0.375	0.370	0.370	0.370	190000	4
-COMMERCIAL BK	0.265	0.265	0.265	0.265	390000	16
-AHLI BANK	0.285	0.280	0.280	0.280	40000	4
-B.K.M.E	0.000	-----	-----	-----	-----	----
-K.R.E.B.	0.330	-----	-----	-----	-----	----
-BURGAN BANK	0.260	0.260	0.260	0.260	310000	10
-K.F.HOUSE	0.425	0.425	0.425	0.425	790000	20
INVESTMENT SECTOR						
-KWT INV. CO.	0.140	-----	-----	-----	-----	----
-K.F.T.C.I.C.	0.210	-----	-----	-----	-----	----
-K.I.I.C.	0.104	-----	-----	-----	-----	----
-COM.FACILITIES	0.480	-----	-----	-----	-----	----
-AHLIAH INV.	0.000	-----	-----	-----	-----	----
-I.F.A.	0.056	0.051	0.051	0.051	40000	1
-INV. PEARL KWT	0.092	-----	-----	-----	-----	----
-NATIONAL INV.	0.072	-----	-----	-----	-----	----
-KWT PROJECTS.	0.079	-----	-----	-----	-----	----
INSURANCE SECTOR						
-KWT INSURANCE	0.610	-----	-----	-----	-----	----
-GULF INSURANCE	0.360	-----	-----	-----	-----	----
-AHLIA INS. CO.	0.540	0.540	0.540	0.540	50000	1
-WARBA INS. CO.	0.340	-----	-----	-----	-----	----
REAL EST SECTOR						
-KWT R.EST. CO.	0.138	-----	-----	-----	-----	----
-UNI R.EST. CO.	0.054	-----	-----	-----	-----	----
-NAT R.EST. CO.	0.192	-----	-----	-----	-----	----
-SALHIAH R.E.	0.080	-----	-----	-----	-----	----
-KWT R.E.I.CON	0.000	-----	-----	-----	-----	----
-						
INDUSTRY SECTOR						
-NAT IND. CO.	0.550	-----	-----	-----	-----	----
-KWT N.P. IND.	0.300	-----	-----	-----	-----	----
-KWT CEMENT CO.	0.170	-----	-----	-----	-----	----
-REF. IND. CO.	0.380	-----	-----	-----	-----	----
-N.A.M.T.CO.	0.000	-----	-----	-----	-----	----
-GULF CABLE	0.970	-----	-----	-----	-----	----
-K.PH.IND. CO.	0.160	-----	-----	-----	-----	----
-CONT.MARINE	0.280	-----	-----	-----	-----	----
-K.SH.REP.CO	0.045	-----	-----	-----	-----	----
SERVICES SECTOR						
-OVERLAND TRANS	0.082	-----	-----	-----	-----	----
-K.N.C. CO.	0.180	-----	-----	-----	-----	----
-KWT HOTELS CO.	0.170	-----	-----	-----	-----	----
-P.WAREHOUSING	0.124	0.126	0.126	0.126	20000	1
-COM.MKT.CMPX.	0.076	-----	-----	-----	-----	----
-MOBILE TELE.	0.285	0.280	0.285	0.280	450000	15
-KWT COMPUTER	0.154	-----	-----	-----	-----	----
FOOD SECTOR						
-LIVESTOCK T.T.	0.238	-----	-----	-----	-----	----
-UNTD FISHERIES	0.130	-----	-----	-----	-----	----
-UNTD POULTRY	0.228	-----	-----	-----	-----	----
-KWT FOODS	0.300	0.300	0.300	0.300	10000	1
-AGRI.FOOD PRD.	0.150	-----	-----	-----	-----	----
NON-KWT SECTOR						
-BHN.INTER.BK	0.064	0.03	0.064	0.063	1040000	2
-BHN.M.EAST.BK	0.052	-----	-----	-----	-----	----
-COAST INVEST.	0.089	0.089	0.089	0.089	200000	4
-A.G.INV.GROP.	0.033	-----	-----	-----	-----	----
-FIRST.GULF BK	0.550	-----	-----	-----	-----	----
-BHN.KUW.GROP	0.078	-----	-----	-----	-----	----
-GULF MEDICAL.	0.033	-----	-----	-----	-----	----

KUWAIT STOCK EXCHANGE

COMPANIES LISTED ON THE PARALLEL MARKET

FINANCIAL SECTOR	P.CLS	LT	HIGH	LOW	VOL	TRADE
-GULF INTL INS	0.000	-----	-----	-----	-----	----
-ARAB INT CO.	0.000	-----	-----	-----	-----	----
-SHARJAH INS	0.000	-----	-----	-----	-----	----
-GULF UNION INS	0.000	-----	-----	-----	-----	----
-R.K.WHITE CMNT	0.000	-----	-----	-----	-----	----
-AJMAN CEMENT.	0.000	-----	-----	-----	-----	----
INDUSTRIAL SECTOR						
B-FUJAIRAH CEMT	0.000	-----	-----	-----	-----	----
C-SHARJAH CEMENT	0.010	-----	-----	-----	-----	----
D-GULF CEMENT	0.010	-----	-----	-----	-----	----

AMMAN

	OPNG	CLSG
ALA-ADDIN COMPANY	1.93	1.91
ARAB ALUMINUM IND.	1.98	1.96
ARAB BANK	144.7	143.5
ARAB CHEMICAL DTER	4.65	4.62
ARAB FINANCE CORP.	2.44	2.41
ARAB INSURANCE	1.05	1.06
ARAB INT.INV/TRAD.	0.54	0.51
ARAB INT.UNION INS	1.25	1.23
ARAB INTER.HOTELS	0.89	0.93
ARAB JOR/INVST/BK	2.35	2.30
ARAB PAPER CON/TRD	0.45	0.43
ARAB PHARMA.MANF.	3.00	2.99
ARAB PHARMA/CHEM	0.98	0.98
ARAB POTASH CO.	---	---
ARABIAN SEAS INS.	1.65	1.65
BANK OF JORDAN	15.30	15.30
BEIT AL-MAL/BEITNA	1.00	1.00
BELGIUM INSURANCE	1.00	0.95
CAIRO AMMAN BANK	31.00	EC
CONFECT/CHOCOLATE	1.05	1.25
DAR AL SHAAB PRESS	0.54	0.53
DAR ALDAWA DV/INV.	2.40	2.35
DARCO/INVEST/HOUS.	0.79	0.80
FINANCE/CREDIT/COR	0.75	0.71
GARAGE OWNERS OFF	4.60	4.60
GENERAL INSURANCE	2.39	2.63
GENERAL INVESTMENT	1.35	1.27
GENERAL MINNING.	2.20	2.10
HIMMEH MINERALS	0.75	0.75
HOLY LAND INS.	1.44	EJ
IND./MATCH JENCO	0.70	0.70
INDSTRL DEVLPT BNK	1.60	1.60
INDSTRL/COMM/AGR.	1.60	1.60
INDUSTRIAL INVEST.	0.75	0.75
INTERN.CON/INV	0.13	0.13
IRBID ELECTRICITY	0.90	0.90
ISLAMIC INV. HOUSE	0.64	0.64
ITERMED/PETRI/CH	1.73	1.75
J.TOUR-SP COMPLEX	0.79	0.80
JERUSALEM INS.	1.26	1.29
JO TOBACCO/CIGARET	20.00	EB
JOR CERAMIC FACTOR	1.93	1.97
JOR EAGLE INS.	25.05	25.05
JOR ELECTRIC POWER	1.53	1.52
JOR FINANCE HOUSE	1.20	1.22
JOR GLASS INDUSTRY	1.01	1.00
JOR HOTEL TOURISM	2.30	2.30
JOR INDUSTRY CHEM.	2.36	2.30
JOR INS AND FIN.	1.20	1.20
JOR LEASING CORP.	0.79	0.83
JOR LIM BRICK	0.22	0.22
JOR MANAG/CONSULT	0.50	0.50
JOR NATIONAL BANK	2.55	2.50
JOR PAPER CARDBRDG	3.75	3.60
JOR PHOSPHATE MINS	3.50	3.50
JOR PIPES MANUFACT	1.79	1.78
JOR PRESS/PUBLISH.	1.79	1.72
JOR PRINTING/PACK.	4.25	4.40
JOR ROCK WOOL IND.	0.98	0.96
JOR SECURIT CORP	1.12	1.11
JOR SELPHO CHEM.	2.74	2.73
JOR WOOD INDUSTRY	1.95	2.02
JOR WORSTED MLL	5.60	5.40
JOR. KUWAIT AGR	0.93	0.93
JOR. PETROLIUM REF	7.90	7.90
JOR.FRENCH INS.	5.45	5.45
JOR.INV.FIN.CORP	2.44	2.44
JORADAN GULF REAL	0.37	0.37
JORDAN DAIRY	0.97	0.98
JORDAN GULF BANK	1.29	1.29
JORDAN GULF INS.	0.96	0.95
JORDAN INSURANCE	3.50	3.40
JORDAN ISLAMIC BNK	2.04	2.02
JORDAN KUWAIT BANK	1.45	1.42
JORDAN TANNING	2.05	2.05
LIVESTOCK/POULTRY	0.74	0.75
MACH/EQU/RENT/MAIN	0.79	0.79
MAS INDUSTRIES	0.69	0.73
MID EAST EXCHANGE	1.17	1.11
MIDDEL EAST HOTEL	0.80	0.76
MIDDEL EAST INS	1.98	1.98
MINERALS RESEARCH	0.74	0.75
NAT.FIN.INVEST CO	2.01	2.10
NAT/CABEL/WIRE/MF	1.75	1.81
NATIONAL AHLIA INS	1.28	1.22
NATIONAL INDUSTRY	0.97	0.99
NATIONAL PORTFOLIO	0.93	0.93
NATIONAL STEEL	2.79	2.76
ORIENT DRY BATTARY	0.25	0.28
PETRA BANK	2.60	2.55
PETRA JOR.INS.	0.35	0.35
PHILADELPHIA INS.	1.10	1.11
PRECAST CONCRETE	0.62	0.65
RAFIA INDUSTRIAL	1.82	1.91
REAL ESTATE INV.	0.66	0.67
SHIPPING LINES	1.07	1.06
SPINING WEVING .	1.09	1.08
THE HOUSING BANK	1.88	1.89
UNITED INSURANCE	1.16	1.14
UNIVERSAL CHEM.IND	3.20	3.17
UNIVERSAL INS.	0.65	0.68
WOOLEN INDUSTRIES	1.00	1.00
YARMOUK INSURANCE	1.35	1.30

هكذا من الاصل

هكذا من الاصل

Watch out! the Russians are coming

By Jill Serjeant

MILAN, Italy, (Reuter): The Soviet Union's old-fashioned mechanical watches are already conquering fashion-crazy Italy, and the rest of Europe and the United States are the next targets.

Genuine Soviet-made watches are selling in classy Italian jewellery shops as fast as the Russians can produce them.

And less than five months after the first cyrillic-inspired Made in the USSR time pieces crossed the frontier, the Soviet watch industry has received the highest of accolades — thousands of fakes are appearing on the streets.

The Soviet Union has long been the world's third largest producer of clocks and watches after Switzerland and the Far East but until last autumn exports were confined to selling parts and movements to Western makers.

The chunky 1950s-style wristwatches, including five models previously made exclusively for the Red Army, are the most successful Soviet consumer products to reach the West under Mikhail Gorbachev's new era of reform.

Displayed in high-class Italian shops next to gold Rolex' and diamond-studded bracelets, the utilitarian Paketa and Red Army Boctok watches have become a sought-after status symbol.

"We have convinced jewellers who sell watches worth millions of lire (thousands of dollars) to display side by side these simple Soviet products which cost as little as 100,000 lire ($74)," said Orazio Occhipinti, who last autumn clinched the European distribution contract for Paketa.

Occhipinti said his entire stock of 40,000 Paketa watches was sold out in the two months before Christmas and he has no doubt that the 150,000 more he plans to import to Italy will get a similar reception.

"They are an anti-status status symbol...the Russians seem a bit astonished. They can't quite understand why they're in such demand," Occhipinti said.

His Milan-base Mirabilia firm won the contract against competition from about 50 Italian companies keen to capitalise on the wave of "Gorby fever" sweeping Western Europe.

Eager for hard currency the Russians needed little persuasion to sell, and Italy, whose six million watch sales a year make it the third largest consumer market in the world, was the ideal place for a test launch.

A model wears a Russian Army cap and five Soviet-made watches.

The chunky 1950's style wristwatches, including five models previously made exclusively for the Red Army are the most successful Soviet consumer products to reach the West under Gorbachev's new era of reform.

"Once a watch was simply a watch, and something you bought for a lifetime. Now it's a fashion accessory which also tells the time. Men change them like they do ties, and for women they're like earrings," said Occhipinti, whose teen-age daughter has a collection of "about 20" cheap and cheerful watches.

"Given the success, we could have asked twice the price but we decided to market the Paketa as a fashion item aimed at the middle and upper classes," he added.

Following a major Italian trade fair in Moscow last October, another Italian company, Time Trend, won a five-year contract to handle the first ever commercial sales of the legendary Boctok wrist watch.

The five distinctive models, bearing the design of either a parachute, submarine or tank for the respective divisions, a plain red star for infantry and a special version for all commanders, are available in the Soviet Union only to the military, importers say.

On sale in Italy since late January for 280,000 lire ($210), they are being snapped up both by collectors and the ordinary public despite minimal advertising.

"Everything Russian is creating attention at the moment but demand has been even higher than we expected," said Maurizio Berardi, managing director of Time Trend.

"Collectors are buying up all five models at once. Some shops in Milan sold more than 200 in February alone," he said.

Berardi said the five-year distribution contract for Europe and the United States was worth about 15 billion lire ($11 million).

Once the Soviet Union has guaranteed it can meet the higher production targets, the Boctoks should start arriving in the rest of Europe later this year and in the United States in 1990.

Such is the craze for Soviet watches that Time Trend and Mirabilia have joined forces to warn Italians against an influx of clever fakes. Large newspaper advertisements advise consumers to steer clear of Boctok and Paketa copies bearing Russian-style names but which are made in Italy.

The nine Paketa models are due to be launched in France, Spain, Greece, Sweden and West Germany in the second half of this year and even Switzerland will not be immune from the invasion.

"Selling Russian watches to the Swiss will really be fun," said Occhipinti.

Workers hold a blueprint at the site of the Rome mosque, the first in the historic centre of Christianity. The Vatican supports the project

Islam second largest religious group in Italy

Mosque springs up in Eternal City

By Philip Pullella

ROME, (Reuter): A muezzin on a minaret calling Muslims to prayer in the historic centre of Christianity?

Twenty-five years ago the Vatican wouldn't hear of it but now a mosque is being built in Rome with the moral support — if not the outright blessing — of the Holy See.

When the impressive building is completed next year it could assume major significance in the dialogue between two of the world's great religions.

"This is a work of exceptional historic, religious, cultural and political importance," said architect Vittorio Gigliotti over the din of jackhammers at the construction site.

"It will have a tremendous impact on public opinion."

To their great surprise, Italians recently learned that Islam has become the second largest religious group in their country, which is 98 per cent Roman Catholic.

Muslims number only about 400,000, but that is more than Jews, or Protestant Christians.

Many of the Muslims are North Africans who have come to Rome looking for work. They boosted a community traditionally made up of diplomats and businessmen.

Others are the some 10,000 Italian Roman Catholics who have converted to Islam — one of the thorny subjects discussed at an Italian bishops seminar last month on relations with Muslims.

The imam at the Rome mosque will hold no hierarchical position in the Islam world. But his proximity to the papacy could give him a leading role in Muslim dialogue with Catholicism.

Prince Abolghassem Amini, the 82-year-old Iranian head of the Islamic Cultural Centre which is overseeing the project stressed that the Mosque would be completely apolitical.

"This will be a place of religion. Politics will have to stop at the door," said Amini, who co-ordinates contacts with Islamic countries funding the $50 million project.

The Eternal City's first mosque was originally proposed in the 1930s to fascist dictator Benito Mussolini as a place of prayer for subjects from Italy's short-lived African empire.

The dictator, who in 1929 concluded a historic pact with the Vatican making Roman Catholicism the state religion, responded with his characteristic bluntness, saying he would allow a mosque in Rome when a Catholic church was permitted in Islam's holy city of Makkah.

Lobby

After World War Two Arab countries continued to lobby Rome but the first sign of movement was not until 1965 when the second Vactican council officially declared Roman Catholic respect for Islam.

During a visit to Rome in 1973, Saudi Arabia's late King Faisal won a commitment from the Italian government after Pope Paul VI had assured then Prime Minister Giulio Andreotti that the Vatican would not block the project.

The search for a site began. The Vatican privately rejected one hilltop location because it would have given the mosque a dominating position in sight of St Peter's dome.

City officials and the Islamic Cultural Centre finally agreed on a low-lying wooded site on a north bend of the Tiber river several kilometres (miles) from the Vatican. Work began in 1983.

The 2,000 square metre (2,400 square yard) mosque is made of the finest Italian building materials, including travertine and craftsman-finished bricks.

The central dome is 26 metres (85 feet) high, flanked by 20 smaller domes and half-domes. Inside, towering modern pillars open up like fingers to support a sky blue ceiling.

The mosque's minaret will be only as high as the central dome because authorities refused approval for a higher spire.

Computer studies by the universities of Rome and Manchester in Britain refined traditional surveying methods to ensure that the mosque points exactly towards Islam's Holy City.

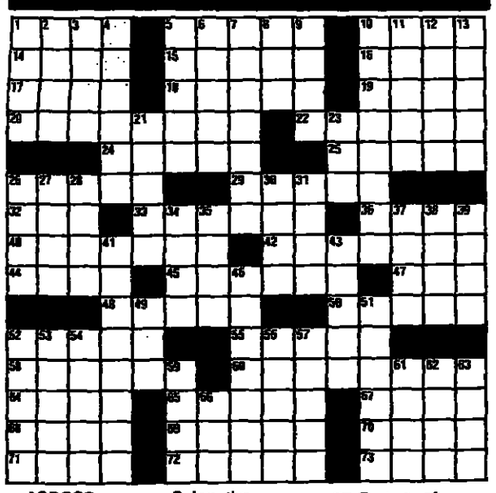
"There is probably no mosque in the world which points toward Makkah more precisely than this one," said Gighotti.

Architect Paolo Portoghesi, who designed the mosque along with Gigliotti and Sami Mousawi, an Iraqi living in London, said it is Rome's most imposing construction in 40 years.

"Its religious and political symbolism is very important, a sign of the times. It shows that none of the three great religions considers itself the sole depository of absolute truth," he said.

Prince Amini, whose boundless energy belies his old age, said there was enough money to finish the mosque by next year.

TODAY'S CROSSWORD



ACROSS
1 Saint of sailors
5 Sea to which the Po flows: Abbr.
10 Cupid's weapon
14 Form of fuel
15 Miscue
16 Robert —
17 Letters of the cross
18 Blackmore heroine
19 Animation
20 Centennial State
22 Scandinavian sea monster
24 Orchid tubers
25 Lugged jugs
26 Baptism et al.
29 Nine: Prefix
32 Slippery surface
33 Fountain treat
36 Pro —
40 Assemble
42 More than a few
44 Social beginning
45 Locust
47 Anger
48 Thick-skinned vegetarian, for short
50 Gravitates
52 Lake in NW Soviet Union
55 Beginning
58 Burnish
60 Bluegrass State
64 Ideal place
65 River at Grenoble
67 Puts on
68 Branches
69 Insect stage
70 Sword of a kind
71 Inter —
72 Dallied
73 Crystal gazer

DOWN
1 Larger than life
2 Jay, the comedian
3 Clayey earth
4 Idle
5 Part of DSM
6 Wear away
7 Wilted
8 Charged atom
9 Long day's journey
10 First State
11 Similar
12 Allude
13 Seven-year period
21 Civet
23 American Indian
26 Costa —
27 Religious image
28 Camper's cover
30 U.S. space agency
31 Penury
34 Claw: Zool.
35 Denial, in Dusseldorf
37 Feature of 52 Down
38 Mountain pool
39 Malted brews
41 Old Dominion State
43 Manservant
46 Chef's art
49 Possesses
51 Musical compositions
52 "The Magic Flute", e.g.
53 Knobby
54 Varnish ingredient
56 Audacity
57 Golf great
59 Sword handle
61 Manage
62 Joint
63 North Sea feeder
66 — Paulo, Brazil

ANSWER TO PREVIOUS PUZZLE

P	A	N	G		G	R	O	S	S		S	C	O	T
I	G	O	R		L	A	R	U	E		T	R	I	O
C	A	L	I	P	A	T	R	I	A		R	A	S	P
T	R	A	P	E	Z	E	S		S	A	I	T	E	S
			E	L	I	S		M	O	N	D	E		
H	A	S	S	L	E		B	A	N	T	E	R	E	R
O	N	E		A	R	D	E	N		E	N	L	A	I
R	I	A	L		S	O	L	E	D		T	A	T	A
S	T	R	A	P		C	I	T	E	S		K	E	N
E	A	S	T	L	A	K	E		R	U	P	E	R	T
		T	E	I	L	S		P	A	I	R			
C	H	O	R	E	A		T	R	I	N	I	D	A	D
I	O	W	A		R	O	Y	A	L	G	O	R	G	E
R	E	E	L		M	A	N	S	E		R	A	R	E
E	R	R	S		S	T	E	E	D		S	W	A	P

GOREN BRIDGE

BY CHARLES GOREN AND OMAR SHARIF

WEEKLY BRIDGE QUIZ

Q.1—As South, vulnerable, you hold:
♠AQ973 ♡AQ85 ◇AQ65 ♣Void
Partner opens the bidding with one club. What do you respond?

Q.2—As South, vulnerable, you hold:
♠AQ973 ♡AQ85 ◇AQ65 ♣Void
The bidding has proceeded:

North	East	South	West
1 ♣	Pass	1 ♠	Pass
1 NT	Pass	?	

What do you bid now?

Q.3—As South, vulnerable, you hold:
♠AQ973 ♡AQ85 ◇AQ65 ♣Void
The bidding has proceeded:

North	East	South	West
1 ♣	Pass	1 ♠	Pass
2 ♣	Pass	?	

What do you bid now?

Q.4—Both vulnerable, as South you hold:
♠AJ93 ♡85 ◇AQJ63 ♣72
The bidding has proceeded:

North	East	South	West
1 ♣	Pass	1 ◇	Pass
1 ♡	Pass	1 ♠	Pass
2 ♣	Pass	?	

What do you bid now?

Q.5—As South, vulnerable, you hold:
♠954 ♡AJ74 ◇AQ1076 ♣8
Partner opens the bidding with one no trump. What do you respond?

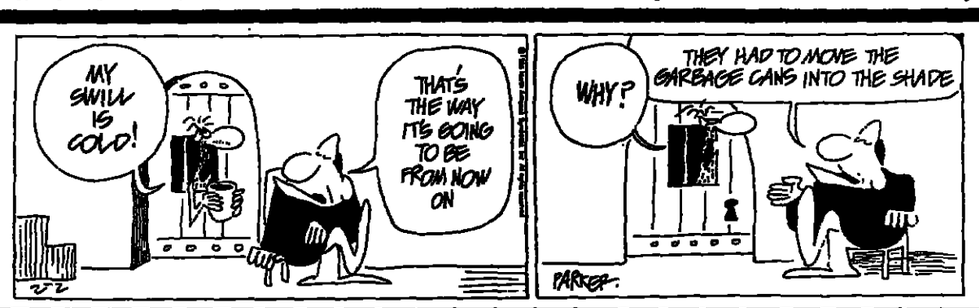
Q.6—As South, vulnerable, you hold:
♠954 ♡AJ74 ◇AQ1076 ♣8
The bidding has proceeded:

North	East	South	West
1 NT	Pass	2 ♣	Pass
2 ◇	Pass	?	

What do you bid now?

THE WIZARD OF ID

By Brant Parker and Johnny Hart



B.C.

By Johnny Hart

"We just need one other thing, to fill up that space in the corner."

"No, Jim, we can't skip the reception!"

YOUR STARS

Aries (March 20 - April 18)

The Moon's more favourable influence will help you to take a less biased view of things. You should not say one thing and do another. Do not ignore good advice. Be reasonable.

Taurus (April 19 - May 19)

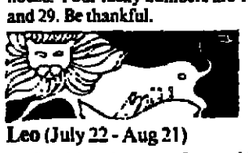
You will tire more easily and should try not to dissipate your energies. Slowly but surely is better than quickly but haphazardly. Avoid prejudice and resentment. Be generous.

Gemini (May 20 - June 20)

There will be plenty of pitfalls and you must be on your guard to avoid them. You will have to make a few sacrifices but they will prove worthwhile. Have a good laugh at yourself. Be mindful.

Cancer (June 21 - July 21)

You must keep your wits very much about you. A problem will prove less serious than you first thought. You should not lose touch with a person who has moved house. Your lucky numbers are 11 and 29. Be thankful.

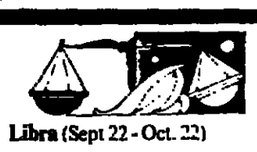


Leo (July 22 - Aug 21)

The Moon's more favourable influence will help you to get down to brass tacks. You will be able to enjoy life to the full. Avoid trying to do all things at once and the same time. Be sincere.

Virgo (Aug 22 - Sept 21)

You should not allow yourself to mistake the trees for the wood. A tendency to indulge in fancy foods must be kept within limits. Avoid all kinds of exaggerations and extravagances. Be frank.

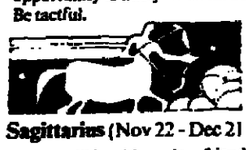


Libra (Sept 22 - Oct. 22)

You will have to stop yourself being so fascinated by the means that you lose sight of the end. You will not be in the best of moods and you should make sure you do not tread on others' toes.

Scorpio (Oct 23 - Nov. 21)

The Moon's better influence will help you to make up your mind. You should not get angry with yourself, instead try to remedy what is annoying you. A good opportunity is likely to be missed. Be tactful.



Sagittarius (Nov 22 - Dec 21)

You will be able to do a friend a favour and he will be grateful. You should not leave until later something that should be done now. You will have something to be pleased about. Be cordial.

Capricorn Dec 22 - Jan 19)

You will find it easier to do what has to be done. You will have a good idea and this will help you to deal with a tricky situation. Do what you can to cut down on expenses. Be aware.

Aquarius (Jan 20 - Feb. 18)

You should be on the lookout for someone who will try to mislead you. Now is a good time to make a few changes that will have to be made soon anyway. Avoid saying what you do not mean. Be careful.

Pisces (Feb 19 - March 19)

You will not get your way in all things today. Mercury's influence will help you to recognise a mistake before it is too late. Do not lose sight of your objectives. Be abstemious.